

TO: HEARINGS OFFICER

FROM: LISA ANDERSON-OGILVIE, AICP, DEPUTY COMMUNITY
DEVELOPMENT DIRECTOR AND PLANNING ADMINISTRATOR

SUBJECT: **CONDITIONAL USE/CLASS 3 SITE PLAN REVIEW CASE NO. CU-
SPR19-06**
2805 VALPAK ROAD NE
AMANDA NO. 19-117499-ZO & 19-117500-RP

REQUEST

Summary: A request for a Conditional Use Permit and Site Plan Review to allow a marijuana extraction use, classified as heavy manufacturing, within an existing building.

Description: Conditional Use and Class 3 Site Plan Review for a proposed industrial hemp and marijuana extraction facility, a heavy manufacturing use, within an existing building located on a 1.43-acre property at 2805 Valpak Road NE (Marion County Assessor Map and Tax Lot 073W14AD / 00800) that is zoned IG (General Industrial). The conditional use application is required for the heavy manufacturing use.

A vicinity map illustrating the location of the property is attached, and made a part of this staff report (**Attachment A**).

APPLICANT: State Investments LLC (Molly Ferrante)

FILER: Jim Toporek, Studio 3 Architecture

RECOMMENDATION

Based upon the Facts and Findings contained in this staff report, staff recommends that the Hearings Officer APPROVE the request for a conditional use and site plan review application Review to allow a marijuana extraction use, classified as heavy manufacturing, within an existing building, for property located at 2805 Valpak Road NE subject to the following conditions of approval:

Condition 1: The extraction process shall be performed as described in the applicant's written statement included as **Attachment C**.

Condition 2: The proposed development shall be in substantial conformance with the approved site plan included as **Attachment B**.

APPLICATION PROCESSING

On August 5, 2019, the applicant submitted an application for a Conditional Use Permit and Class 3 Site Plan Review to establish a heavy manufacturing use (marijuana

extraction and processing facility) within an existing building. The application was deemed complete for processing on September 26, 2019.

The public hearing before the City of Salem Hearings Officer is scheduled for November 6, 2019, at 5:30 p.m. Notice of public hearing was sent pursuant to Salem Revised Code (SRC) requirements on October 17, 2019. Public hearing notice was also posted on the property by the applicant pursuant to SRC requirements.

PROPOSAL

The applicant is requesting to establish occupancy for three new suites within an existing building for use as a hemp and marijuana extraction facility and construct an accessible ramp at the building's primary entrance and a new gate. The property currently contains a recreational marijuana production facility, which is a use that is permitted outright in the IG (General Industrial) zone. No changes are proposed to the existing suites currently used for marijuana production. A vicinity map is included as **Attachment A**. Because the processing will involve extraction, classified as a Heavy Manufacturing use, the proposal requires a Conditional Use permit within the IG zone. A site plan is included as **Attachment B**.

SUMMARY OF RECORD

The following items are submitted to the record and are available upon request: All materials submitted by the applicant, including any applicable professional studies such as traffic impact analysis, geologic assessments, and stormwater reports; any materials and comments from public agencies, City departments, neighborhood associations, and the public; and all documents referenced in this report.

APPLICANT'S STATEMENT

The applicant's statement addressing the applicable approval criteria for this consolidated request is included as **Attachment C**.

FACTS AND FINDINGS

1. **Salem Area Comprehensive Plan (SACP) designation**
The Salem Area Comprehensive Plan (SACP) map designation for the subject property is "Industrial." The subject property is within the Urban Growth Boundary and the Urban Service Area.
2. **Zoning and Surrounding Land Uses**
The subject property is zoned IG (General Industrial). The proposed extraction use is classified as a Heavy Manufacturing use in the IG zone and requires a Conditional Use approval in the IG Zone.

The zoning of surrounding properties is as follows:

North: IG (General Industrial)

South: IG (General Industrial)

East: Across Valpak Road NE and right-of-way for Portland Road NE, IG
(General Industrial)

West: IG (General Industrial)

3. Site Analysis

The subject property is approximately 1.43 acres in size and is developed with an existing 18,502 square foot building currently used as a cannabis grow facility. The property is bounded on the east by Valpak Road NE and right-of-way for Portland Road NE and abuts IG (General Industrial) zoned properties to the north, south, and west. The site has access from Valpak Road NE, which is designated as a Local street in the Salem Transportation Systems Plan (TSP).

4. Neighborhood and Citizen Comments

The subject property is located within the Northgate Neighborhood Association (Northgate). Notice was provided to Northgate and residents within 250 feet of the subject property. As of the date of this staff report, no comments have been received from Northgate, or surrounding residents.

5. City Department and Public Agency Comments

The Salem Building and Safety Division reviewed the proposal and identified no issues.

The Salem Fire Department reviewed the proposal and indicated that comments for the extraction process will be provided at time of building permit plan review.

The Public Works Department reviewed the proposal and provided a memo which is included as **Attachment D**.

Portland General Electric (PGE) reviewed the proposal and had no comments as this is Salem Electric's service territory.

Salem Electric provided comments stating that Salem Electric will provide electric service according to the rates and policies at the time of construction.

6. Analysis of Conditional Use Criteria

SRC Chapter 240.005(a)(1) provides that:

No building, structure, or land shall be used or developed for any use which is designated as a conditional use in the UDC unless a conditional use permit has been granted pursuant to this chapter.

SRC Chapter 240.005(d) establishes the following approval criteria for a conditional use permit:

Criterion 1:

The proposed use is allowed as a conditional use in the zone.

Finding: Extraction of oil and concentrates from industrial hemp and marijuana is classified as a heavy manufacturing use pursuant to SRC Chapter 400. SRC Chapter 554, Table 554-1 provides that Heavy Manufacturing uses are allowed in the IG (General Industrial) zone with a conditional use permit.

Staff finds that the proposal meets this criterion.

Criterion 2:

The reasonably likely adverse impacts of the use on the immediate neighborhood can be minimized through the imposition of conditions.

Applicant's Statement: The applicant's written statement addressing the conditional use approval criteria is included as **Attachment C**.

Staff Finding: The applicant is proposing an extraction facility within an existing building with a gross floor area of approximately 13,569 square feet. The existing building currently contains tenant spaces used for recreational marijuana production, which is an outright permitted use in the IG zone.

Heavy manufacturing uses require a conditional use permit in order to evaluate the impact of a use on surrounding uses in the immediate area. Potential impacts from heavy manufacturing uses include noise, vibration, dust, smoke, fumes or noxious odors.

The applicant's statement describes the proposed extraction use for the facility, which involves the separation of cannabinoids and hemp through the use of ethanol, butane, and rosin press processing. Extraction involving flammable solvents will occur within fire-rated rooms with alarms and exhaust systems. The process occurs within a closed loop environment to eliminate strong odors, and any odor that is contained within the facility will be filtered through carbon filters before being exhausted into the outside air. As described, the manufacturing process does not involve significant impacts on adjacent properties due to noise, vibration, dust, smoke, fumes or noxious odors, and is not dangerous or polluting.

The development, as proposed and with the recommended conditions of approval below, minimizes reasonable likely adverse impacts of the use on the adjacent tenants and neighboring uses.

Condition 1: The extraction process shall be performed as described in the applicant's written statement included as **Attachment C**.

Criterion 3:

The proposed use will be reasonably compatible with and have minimal impact on the livability or appropriate development of surrounding property.

Applicant's Statement: The applicant's written statement addressing the conditional use approval criteria is included as **Attachment C**.

Staff Finding: The proposed extraction and processing facilities would be located in an existing building within an industrial zone, and the surrounding businesses are similar in impacts. The property will have adequate loading space for delivery of raw materials and adequate storage space within the building. By-products will be collected by a solid waste service hauler. Exterior alterations to the site are limited to a new security gate at the rear of the building and an accessible ramp at the primary entrance.

As proposed, the use will be reasonably compatible with the surrounding uses and will have minimal impact on the livability or development of surrounding property. To ensure the proposal is in substantial conformance with the use and development presented in the application materials, staff recommends the following condition of approval:

Condition 2: The proposed development shall be in substantial conformance with the approved site plan included as **Attachment B**.

7. **Analysis of Class 3 Site Plan Review Approval Criteria**

SRC 220.005(f)(3) establishes the following approval criteria for a Class 3 Site Plan Review:

Criterion 1:

The application meets all applicable standards of the UDC.

Finding: The project includes a proposal to establish occupancy for a marijuana processing facility for three new suites within an existing building, and to construct an accessible ramp at the primary entrance of the building.

The development, as proposed and conditioned, meets all standards of the UDC.

Development Standards – IG (General Industrial) Zone:

SRC 554.005(a) - Uses:

Except as otherwise provided in Chapter 554, the permitted, special, conditional and prohibited uses in the IG zone are set forth in Table 554-1.

Finding: The proposed use involves the extraction of products from cannabis and industrial hemp. The extraction process is classified as a heavy manufacturing use in SRC Chapter 400.

Within the IG zone, heavy manufacturing is listed as a Conditional Use. Findings addressing the Conditional Use Permit criteria are included in Section 6 of this report.

SRC 554.010(a) – IG Zone Lot Standards:

There are no minimum lot area or dimension requirements in the IG zone. All uses are required to have a minimum of 16 feet of street frontage.

Finding: The subject property has approximately 200 feet of frontage on Valpak Road NE. No changes to the lot area or dimensions are proposed.

SRC 554.010(b) – IG Zone Setbacks:

North: Adjacent to the north is an IG (General Industrial) zone. There is no building setback required adjacent to an IG zone; vehicle use areas require a minimum 5 foot setback.

East: Adjacent to the east is the right-of-way of Valpak Road NE, which is designated as a Local street in the Salem TSP. There is a 5-foot building setback and a 6- to 10-foot vehicle use area setback.

South: Adjacent to the south is an IG (General Industrial) zone. There is no building setback required adjacent to an IG zone; vehicle use areas require a minimum 5 foot setback.

West: Adjacent to the north is an IG (General Industrial) zone. There is no building setback required adjacent to an IG zone; vehicle use areas require a minimum 5 foot setback.

Finding: The proposed development includes interior improvements to establish occupancy for a new use within an existing building. The proposed development also includes the installation of a new accessible ramp and gate, which complies with the minimum setback standards of the IG zone as proposed on the site plan.

SRC 554.010(c) - Lot Coverage, Height:

There is no maximum lot coverage standard. The maximum height in the IG zone is 70 feet.

Finding: The proposed development does not modify the lot coverage or height of the existing building. The proposed development complies with the lot coverage and maximum height standards of the IG zone.

SRC 554.010(d) - Landscaping:

- (1) **Setbacks.** Required setbacks shall be landscaped. Landscaping shall conform to the standards set forth in SRC Chapter 807.
- (2) **Vehicle Use Areas.** Vehicle use areas shall be landscaped as provided under SRC Chapter 806 and SRC Chapter 807.

Finding: The proposed development includes a change of use within an existing building. Landscaping is not required for the proposed development.

SRC 806.005 - Off-Street Parking; When Required.

Off-street parking shall be provided and maintained for any change of use or activity, when such change of use or activity results in a parking ratio requiring a greater number of spaces than the previous use or activity.

SRC 806.010 - Proximity of Off-Street Parking to Use or Activity Served.

Required off-street parking shall be located on the same development site as the use or activity it serves.

SRC 806.015 - Amount of Off-Street Parking.

- a) *Minimum Required Off-Street Parking.* The minimum number of off-street parking spaces required for a heavy manufacturing use is the greater of 0.75 spaces per employee or 1 space per 5,000 square feet of floor area.
- b) *Compact Parking.* Up to 75 percent of the minimum off-street parking spaces required under this Chapter may be compact parking spaces.
- c) *Carpool and Vanpool Parking.* New developments with 60 or more required off-street parking spaces shall designate a minimum of 5 percent of their total off-street parking spaces for carpool or vanpool parking.
- d) *Maximum Off-Street Parking.* Unless otherwise provided in the SRC, off-street parking shall not exceed the amounts set forth in Table 806-2.

Finding: According to the site plan, the proposed heavy manufacturing use will have 9 employees, requiring a minimum of 7 off-street parking spaces ($9 \times 0.75 = 6.75$). The existing marijuana production use is classified as an Agriculture use, which requires no off-street parking sales if no retail sales are included. The site plan indicates that the existing off-street parking area has 23 spaces. No changes are proposed or required for the existing spaces. None of the parking spaces are depicted on the site plan as compact spaces. Carpool/vanpool spaces are not required for the proposed uses.

SRC 806.035 - Off-Street Parking and Vehicle Use Area Development Standards.

Unless otherwise provided under the UDC, off-street parking and vehicle use areas, other than driveways and loading areas, for uses or activities other than Single Family and Two Family shall be developed and maintained as provided in this section.

- a) *General Applicability.* The off-street parking and vehicle use area development standards set forth in this section apply to:
1. The development of new off-street parking and vehicle use areas.
 2. The expansion of existing off-street parking and vehicle use areas, where additional paved surface is added.
 3. The alteration of existing off-street parking and vehicle use areas, where the existing paved surface is replaced with a new paved surface; and
 4. The paving of an un-paved area.

Finding: The proposed development includes no changes to the existing parking and vehicle use areas.

Bicycle Parking

SRC 806.045 - General Applicability.

Bicycle parking shall be provided and maintained for any change of use or activity, when such change of use or activity results in a bicycle parking ratio requiring a greater number of spaces than the previous use or activity.

SRC 806.050 – Proximity of Bicycle Parking to use or Activity Served.

Bicycle parking shall be located on the same development site as the use or activity it serves.

SRC 806.055 - Amount of Bicycle Parking.

Uses in the heavy manufacturing category require the greater of 4 bicycle parking spaces or one space per 10,000 square feet of floor area.

Finding: The proposed heavy manufacturing use would occupy approximately 13,569 square feet within an existing building, and 4 bicycle parking spaces are required for the proposed use. The site plan identifies the provision of four new bicycle parking spaces, meeting the minimum requirement.

SRC 806.060 – Bicycle Parking Development Standards

Unless otherwise provided under the UDC, bicycle parking areas shall be developed and maintained as set forth in this section.

- a) *Location.* Bicycle parking areas shall be located within a convenient distance of, and shall be clearly visible from, the primary building entrance. In no event shall bicycle parking areas be located more than 50

- feet from the primary building entrance.
- b) Access. Bicycle parking areas shall have direct and accessible access to the public right-of-way and the primary building entrance.
 - c) Dimensions. Bicycle parking spaces shall be a minimum of 6 feet by 2 feet, and shall be served by a minimum 4-foot-wide access aisle.
 - d) Bicycle Racks. Where bicycle parking is provided in racks, the racks may be floor, wall, or ceiling racks. Bicycle racks shall accommodate the bicyclist's own locking device.

Finding: The proposed bicycle parking spaces for the building meets the requirements of SRC 806.060, as shown on the site plan.

Off-Street Loading Area

SRC 806.065 - General Applicability.

Off-street loading areas shall be provided and maintained for any change of use or activity, when such change of use or activity results in a greater number of required off-street loading spaces than the previous use or activity.

SRC 806.075 - Amount of Off-Street Loading.

One loading space is required for a heavy manufacturing use of 5,000 to 100,000 square feet.

Finding: The current use of the building is agriculture, and the proposed use is heavy manufacturing. The previous agriculture use required no off-street loading spaces, and the proposed use requires a minimum of one loading space for 5,000 to 100,000 square feet. The site plan shows adequate area to fulfill the minimum one space loading requirement meeting the requirements of SRC Chapter 806.

Landscaping

All required setbacks shall be landscaped with a minimum of 1 plant unit per 20 square feet of landscaped area. A minimum of 40 percent of the required number of plant units shall be a combination of mature trees, shade trees, evergreen/conifer trees, or ornamental trees. Plant materials and minimum plant unit values are defined in SRC Chapter 807, Table 807-2.

All building permit applications for development subject to landscaping requirements shall include landscape and irrigation plans meeting the requirements of SRC Chapter 807.

Finding: No additional landscaping is required for the proposed change of use.

Fences, Walls, hedges, Gates, and Retaining Walls

SRC 800.050(a)(1)(B) – Fences and Walls, Nonresidential Zones:

Fences and walls within nonresidential zones shall not exceed a maximum height of 12 feet; provided, however fences and walls within a front, side, or rear yard abutting a street shall not exceed a maximum height of eight feet when located within ten feet of a property line abutting a street, provided however that any portion of the fence or wall above 30 inches in height shall be less than 25 percent opaque when viewed at any angle at a point 25 feet away from the fence or wall.

SRC 800.050(a)(3)(B) – Gates:

Where a gate is part of a fence, wall, or hedge it shall conform to the height limitations applicable to fences and walls set forth under SRC 800.050(a)(1). Gates shall not swing open onto a public right-of-way or vehicle or pedestrian easement.

SRC 800.050(c) – Vision Clearance:

Notwithstanding any other provision of this section, fence, walls, hedges, gates, and retaining walls shall conform to the vision clearance requirements of SRC Chapter 805.

Finding: The proposed security gate will be installed within an existing chain-link fence located at the northeastern portion of the subject property. The proposed gate will be less than 12 feet in height and will not swing open onto a public right-of-way or vehicle or pedestrian easement. Public Works has reviewed the proposal and had no comments regarding issues with vision clearance. The proposed development meets the requirements of SRC 800.050.

Natural Resources

SRC 808 - Preservation of Trees and Vegetation: The City's tree preservation ordinance, under SRC Chapter 808, provides that no person shall remove a significant tree (Oregon White Oak greater than 24 inches in diameter at breast height) (SRC 808.015) or a tree or native vegetation in a riparian corridor (SRC 808.020), unless the removal is excepted under SRC 808.030(a)(2), undertaken pursuant to a permit issued under SRC 808.030(d), undertaken pursuant to a tree conservation plan approved under SRC 808.035, or permitted by a variance granted under SRC 808.045.

No protected riparian trees or significant trees have been identified on the site plan for removal.

SRC 809 - Wetlands: The Salem-Keizer Local Wetland Inventory (LWI) does not show any wetland or hydric soil areas mapped on the property.

SRC 810 - Landslide Hazards: A geological assessment or report is required when regulated activity is proposed in a mapped landslide hazard area. According to the City's adopted landslide hazard susceptibility maps and SRC

Chapter 810 (Landslide Hazards), there are no mapped landslide hazard areas on the subject property.

The subject property meets all applicable standards of the following chapters of the UDC: 601 – Floodplain; 802 – Public Improvements; 803 – Streets and Right-of-Way Improvements; 804 – Driveway Approaches; 805 – Vision Clearance; 809 – Wetlands; and 810 – Landslides.

Criterion 2:

The transportation system provides for the safe, orderly, and efficient circulation of traffic into and out of the proposed development, and negative impacts to the transportation system are mitigated adequately.

Finding: The existing street system is adequate to serve the proposed development and the development is not proposing a building addition subject to 803.040(a); therefore, no right-of-way dedication or street improvements are required.

Criterion 3:

Parking areas and driveways are designed to facilitate safe and efficient movement of vehicles, bicycles, and pedestrians.

Finding: The driveway access onto Valpak Road NE provides for safe turning movements into and out of the property.

Criterion 4:

The proposed development will be adequately served with City water, sewer, stormwater facilities, and other utilities appropriate to the nature of the development.

Finding: The Public Works Department has reviewed the applicant's preliminary plan for this site. The sewer and storm infrastructure is available within surrounding streets/areas and is adequate to serve the proposed development. The applicant does not show any new connections to public infrastructure.

RECOMMENDATION

Based upon the Facts and Findings contained in this staff report, staff recommends that the Hearings Officer APPROVE the request for a conditional use and site plan review application to establish occupancy for a hemp and marijuana extraction facility for property located at 2805 Valpak Road NE subject to the following conditions of approval:

Condition 1: The extraction process shall be performed as described in the applicant's written statement included as **Attachment C**.

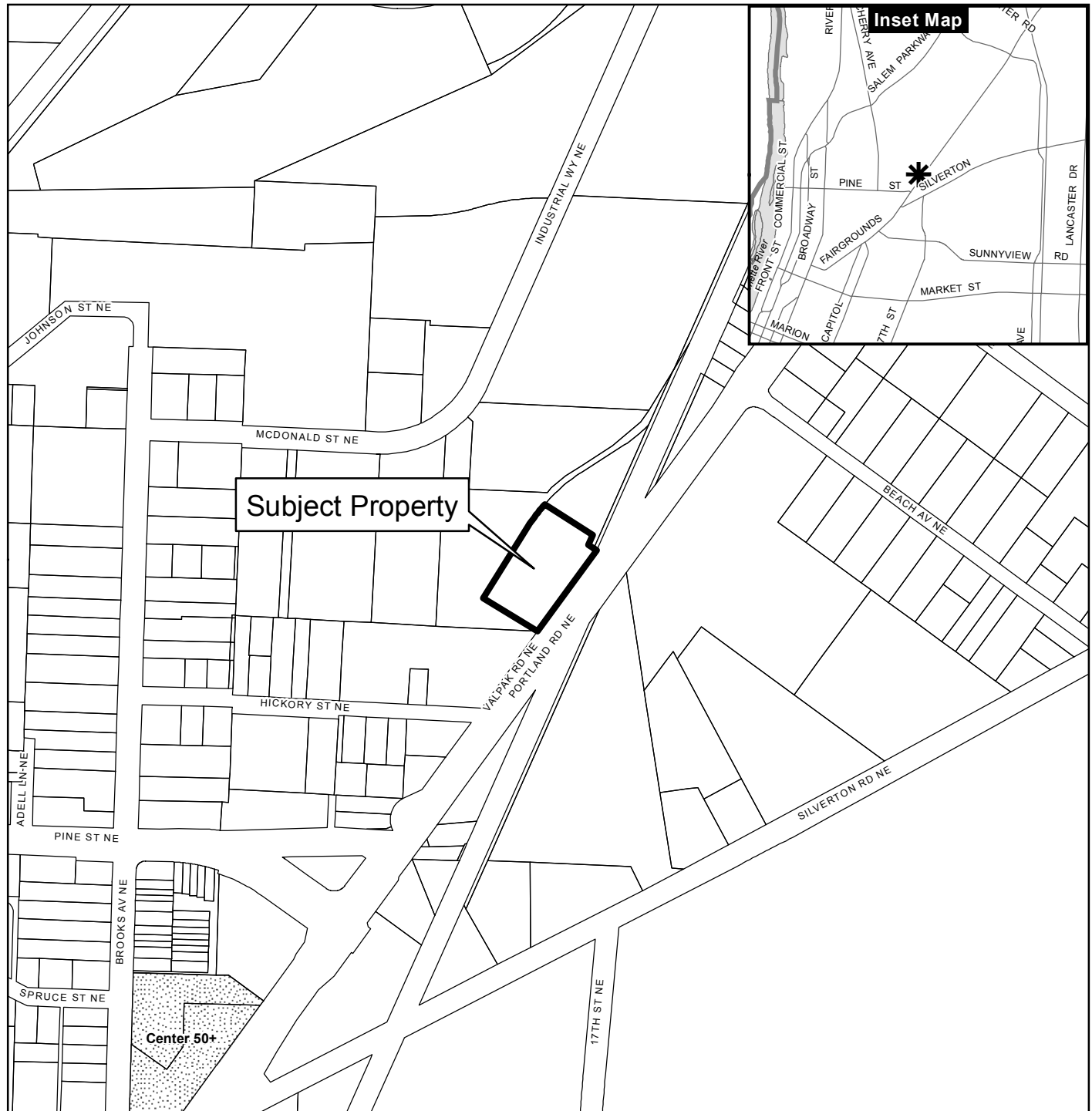
Condition 2: The proposed development shall be in substantial conformance with the approved site plan included as **Attachment B.**

Prepared by Hayley Feightner, Planner I

Application Deemed Complete Date: September 26, 2019
State Mandated Decision Date: January 24, 2020

Attachments: A. Vicinity Map
B. Site Plan
C. Applicant's Statement
D. Public Works Memorandum

Vicinity Map 2805 Valpack Road NE



Legend

- | | |
|-----------------------|---------------------------|
| Taxlots | Outside Salem City Limits |
| Urban Growth Boundary | Historic District |
| City Limits | Schools |

Parks

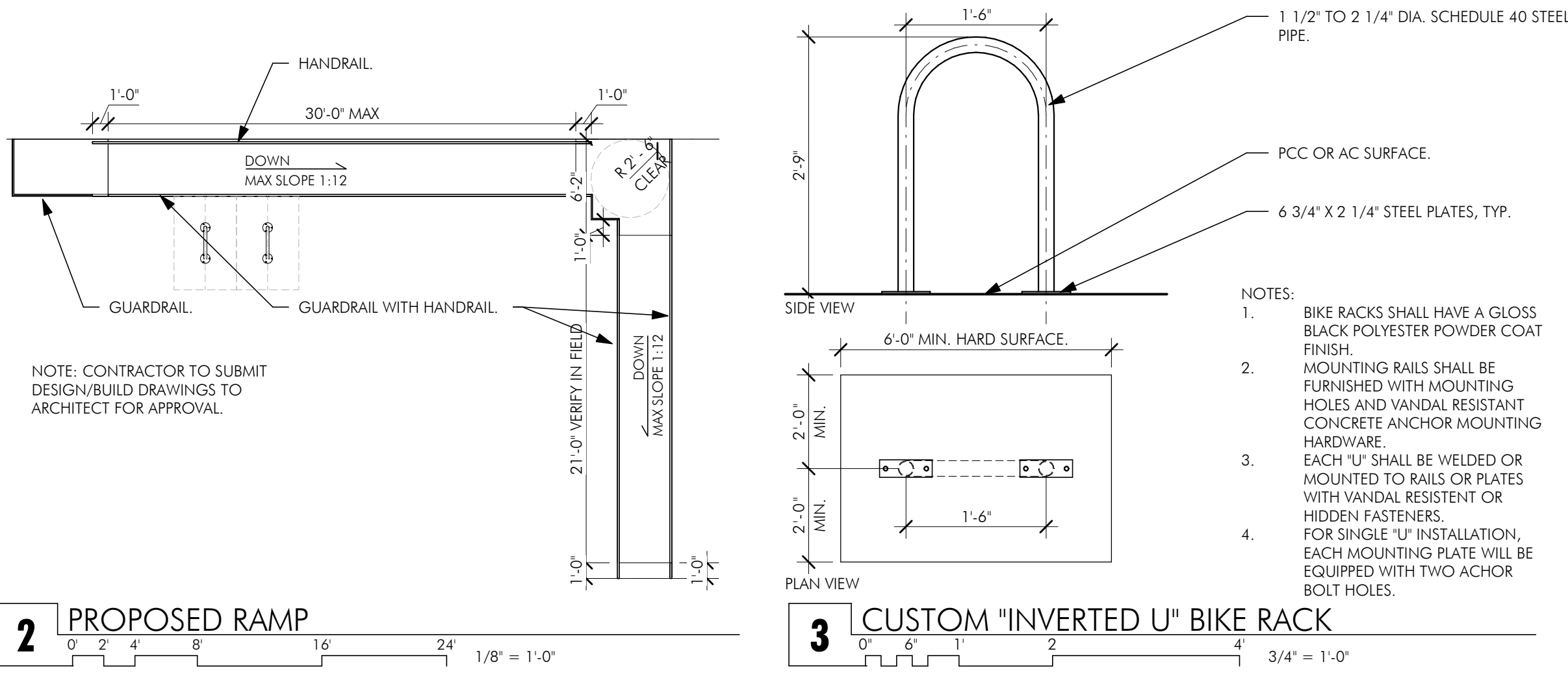
CITY OF Salem
AT YOUR SERVICE
Community Development Dept.

This product is provided as is, without warranty. In no event is the City of Salem liable for damages from the use of this product. This product is subject to license and copyright limitations and further distribution or resale is prohibited.

0 100 200 400 Feet



ATTACHMENT B



SITE PLAN PROPOSED:

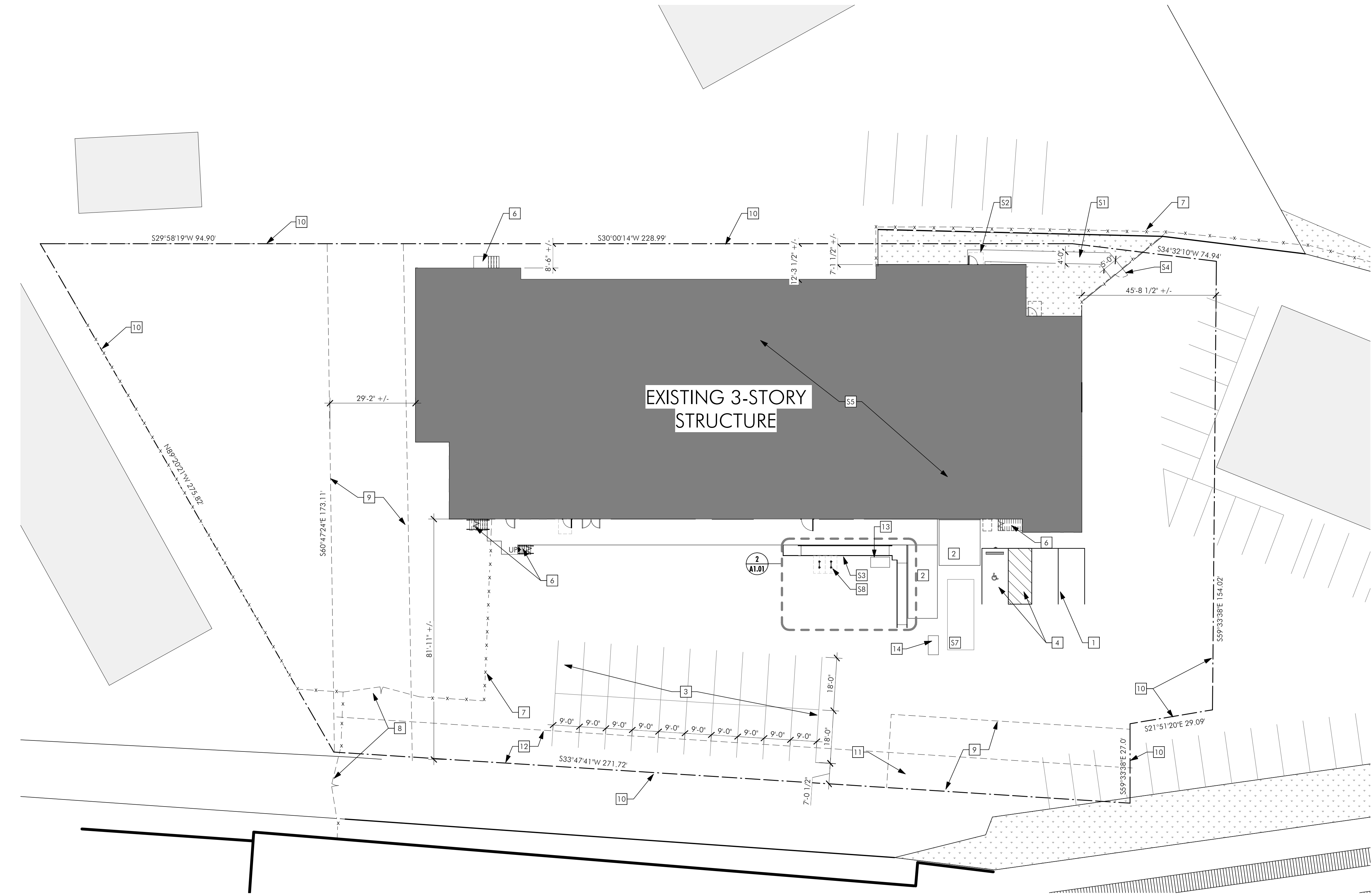
- 1 EXISTING STRIPED PARKING STALLS.
- 2 EXISTING RAMP.
- 3 EXISTING PARKING AREA. CAN ACCOMMODATE UP TO 20 PARKING SPACES. STRIPING MUST BE PROVIDED FOR (4) SPACES.
- 4 EXISTING ACCESSIBLE PARKING WITH REQUIRED STRIPING AND SIGNAGE.
- 5 ACCESSIBLE PATH TO BUILDING.
- 6 EXISTING STAIR.
- 7 EXISTING CHAINLINK FENCE.
- 8 EXISTING VEHICLE GATE.
- 9 27' WIDE ROADWAY EASMENT.
- 10 EXISTING PROPERTY LINE.
- 11 NOT USED.
- 12 12' WIDE EASEMENT FOR PACIFIC TELEPHONE AND TELEGRAPH COMPANY.
- 13 LOCATION OF EXISTING 4 YARD TRASH BIN FOR CURRENT TENANT.
- 14 LOCATION OF EXISTING 4 YARD RECYCLING BIN FOR CURRENT TENANT.
- 51 PROPOSED CONCRETE WALK, LESS THAN 1:20 SLOPE WHERE REQUIRED.
- 52 PROPOSED 6X5' CONCRETE PAD, ACCESSIBLE. NO STEP PERMITTED AT DOOR.
- 53 NEW ALUMINUM ACCESSIBLE RAMP. DESIGN BUILD. SEE PLAN FOR REQUIREMENTS.
- 54 NEW GATE. PROVIDE PUSH BAR AT INSIDE.
- 55 NEW TRASH/RECYCLING RECEPTACLES TO BE LOCATED WITHIN SUITES.
- 56 NOT USED.
- 57 LOADING ZONE, NO STRIPING PROPOSED.
- 58 4 BIKE PARKING SPACES PROPOSED.

SITE PLAN LEGEND:

- BUILDING AREA
- BUILDING OVERHANG ABOVE
- LANDSCAPING
- EXISTING PAVING.

SUMMARY TABLE

ZONING DESIGNATION	IG (General Industrial)
TOTAL SITE AREA	54,052 SF
GFA: SUITE 010 (EXISTING)	9,412 SF Agriculture – Recreational Marijuana production
GFA: SUITE 150 (EXISTING)	6,094 SF Agriculture – Recreational Marijuana production
GFA: PROPOSED SUITE A	509 SF Heavy manufacturing
GFA: PROPOSED SUITE B	510 SF Heavy manufacturing
GFA: PROPOSED SUITE C	12,550 SF Heavy manufacturing/storage
BUILDING HEIGHT	APPROX 40'
PARKING STALLS TOTAL	23 SPACES
COMPACT	0 PROPOSED
FULL SIZE	22 SPACES
ACCESSIBLE	1 SPACES
PARKING REQUIRED	6.75 SPACES
HEAVY MANUFACTURING	6.75 SPACES FOR 9 EMPLOYEES (3 PER PROPOSED SUITE)
AGRICULTURE	0 SPACES REQUIRED
LOT COVERAGE PROPOSED	52%
BUILDING AREA	18,502 SF
PAVED AREA	34,750 SF
WASTE	PROVIDED INSIDE BUILDING FOR NEW SUITES



1 SITE PLAN-PROPOSED

STUDIO

3

ARCHITECTURE INCORPORATED

275 COURT ST. NE
SALEM, OR 97301-3442
P: 503.390.6500
www.studio3architecture.com

REGISTERED ARCHITECT

4449

GENE C. BOLANTZ

SALEM, OREGON

STATE OF OREGON

IN THE EVENT CONFLICTS ARE DISCOVERED BETWEEN THE ORIGINAL SIGNED AND SEALED DOCUMENTS PREPARED BY THE ARCHITECTS AND/OR THEIR CONSULTANTS, AND ANY COPY OF THE DOCUMENTS TRANSMITTED BY MAIL, FAX, ELECTRONICALLY OR OTHERWISE, THE ORIGINAL SIGNED AND SEALED DOCUMENTS SHALL GOVERN.

PROJECT # 2019-66
DATE: 6/14/2019

REVISIONS

TENANT IMPROVEMENT FOR:
2805 VALPAK ROAD NE
SALEM, OREGON 97301

SHEET:

A1.01

Written Statement for 2805 Valpak Road – Conditional Use

“Heavy Manufacturing” is a conditional use for the IG Zone per SRC 554.005

Process Description

Suite 140 - OLCC

Sitka Industries LLC will operate an OLCC licensed recreational marijuana processing facility that includes separation of cannabinoids in the following potential methods.

Ethanol Processing- Subzero temperature ethanol is combined with cannabis and or hemp biomass in a closed steel machine which agitates the mixture at subzero temperatures for a set cycle time. Afterwards the biomass is removed and the ethanol is separated from the cannabinoids thru a closed loop evaporator. Following this processing cannabinoids are further refined into their difference fractions using a rolled film distillation machine to fractionally distill each cannabinoid separately by controlling the evaporating temperature of each desired compound. All equipment is UL listed and all installations are approved by the Marion county building department and are stamped by certified engineers when necessary. Ethanol is non-volatile.

The ethanol processing will occur in a dedicated C1D2-rated room within the facility that will be ventilated and exhausted at 1 CFM/SF, per Oregon Fire Code and NFPA 30. The room will contain all required ethanol-detection alarms and the exhaust system will contain spark-resistant fans. The exhaust fan and alarms will be on standby-power as required by the OFC. All exhaust will discharge at or below the Lower Flammability Limits as defined by the Fire Code.

After processing of the biomass is complete, the spent biomass may have some minor residual solvents, which, as part of the standard operation procedures (SOPs) will be immediately removed from the facility and stored in a designated area no less than 20-feet from the building and any adjacent property lines. The biomass will then be removed via a contracted third-party vendor and disposed in accordance to state and local codes.

Rosin Press Processing- Cannabis and or hemp biomass is prepared for processing by being dried in a freeze dryer. Biomass is then pressed between two heated plates in order to squeeze out cannabinoids. No solvents are used and the process uses heat and pressure.

Cartridge filling- Bulk cannabis oil is injected into vaporizer cartridges for sale.

Suite145 (OLCC) and Suite 100 (ODA)

Uplifted LLC will operate an OLCC and ODA licensed recreational marijuana and hemp processing facilities that includes separation of cannabinoids in the following potential methods.

Butane Extraction- Subzero temperature butane is combined in a sealed closed loop extractor with cannabis biomass. Butane is pumped between the holding tanks and the extractor and back into the holding tanks recovering the butane from the biomass. Butane extraction is done within a C1D1 room with all the proper classified equipment and ventilation. A strict standard operating procedure is enforced eliminating any dangerous conditions where gas is exposed to any ignition source. Finished extract is removed from the C1D1 room and is put into vacuum ovens to remove any residual solvent. Extract is then removed from vacuum ovens and is packaged for sale.

Ethanol Processing- Subzero temperature ethanol is combined with cannabis and or hemp biomass in a closed steel machine which agitates the mixture at subzero temperatures for a set cycle time. Afterwards the biomass is removed and the ethanol is separated from the cannabinoids thru a closed loop evaporator. Following this processing cannabinoids are further refined into their difference fractions using a rolled film distillation machine to fractionally distill each cannabinoid separately by controlling the evaporating temperature of each desired compound. All equipment is UL listed and all installations are approved by the Marion county building department and are stamped by certified engineers when necessary. Ethanol is non-volatile. Ethanol storage for production will be 270 gallons.

Rosin Press Processing- Cannabis and or hemp biomass is prepared for processing by being dried in a freeze dryer. Biomass is then pressed between two heated plates in order to squeeze out cannabinoids. No solvents are used and the process uses heat and pressure.

Cartridge filling- Bulk cannabis oil is injected into vaporizer cartridges for sale.

Impact

It is our opinion that the proposed heavy manufacturing facilities are suitable for their context. This property is bordered by Industrial Commercial and General Industrial zones. This building already serves as a marijuana grow facility, making the introduction of this type of complementary heavy manufacturing a sensible fit for conditional use.

The impacts on the neighboring industrial zoned properties will be no more noticeable than the existing conditions. Odor that is contained within the facility will be filtered via carbon filters before being exhausted into the outside air. This will eliminate any odor from plant material contained within the facility. Processing

does not release any more odor than just possessing raw material. The exhaust system installed will be below required decibel level for the neighborhood sound ordinance.



MEMO

TO: Hayley Feightner, Planner I
Community Development Department

FROM: Glenn J. Davis, PE, CFM, Chief Development Engineer
Public Works Department

DATE: October 30, 2019

SUBJECT: PUBLIC WORKS RECOMMENDATIONS
CU-SPR19-06 (19-117500-RP)
2805 VALPAK ROAD NE
MARIJUANA EXTRACTION USE

PROPOSAL

Conditional Use and Class 3 Site Plan Review for a proposed industrial hemp and marijuana extraction facility, a heavy manufacturing use, within an existing building located on a 1.43-acre property at 2805 Valpak Road NE (Marion County Assessor Map and Tax Lot 073W14AD / 00800) that is zoned IG (General Industrial). The conditional use application is required for the heavy manufacturing use.

SUMMARY OF FINDINGS

The proposed development meets applicable criteria related to Public Works infrastructure.

FACTS

Streets

1. Valpak Road NE

- a. Standard—This street is designated as a Local street in the Salem TSP. The standard for this street classification varies pursuant to SRC 803.065(a)(2) because the street was fully developed to standards that were in place at the time of construction.
- b. Existing Conditions—This street has an approximate 22-foot improvement within a 100-foot-wide right-of-way abutting the subject property.

Storm Drainage

1. Existing Conditions

- a. A 10-inch storm main is located in Valpak Road NE.

Water

1. Existing Conditions

- a. The subject property is located in the G-0 water service level.
- b. A 12-inch water main is located in Valpak Road NE. Mains of this size generally convey flows of 2,100 to 4,900 gallons per minute.

Sanitary Sewer

1. Existing Conditions

- a. An 8-inch sewer main is located in an easement west of the subject property.

CRITERIA AND FINDINGS

Analysis of the development based on relevant criteria in SRC 220.005(f)(3) is as follows:

Criteria: SRC 220.005(f)(3)(A) The application meets all applicable standards of the UDC (*Unified Development Code*)

Finding—The subject property meets all applicable standards of the following chapters of the UDC: 601 – Floodplain; 802 – Public Improvements; 803 – Streets and Right-of-Way Improvements; 804 – Driveway Approaches; 805 – Vision Clearance; 809 – Wetlands; and 810 - Landslides.

Public Works staff has reviewed the Flood Insurance Study and Flood Insurance Rate Maps and has determined that no floodplain or floodway areas exist on the subject property.

According to the Salem-Keizer Local Wetland Inventory (LWI) the subject property does not contain any wetland areas.

According to the City's adopted landslide hazard susceptibility maps and SRC Chapter 810 (Landslide Hazards), there are no mapped landslide hazard areas on the subject property.

Criteria: SRC 220.005(f)(3)(B) The transportation system provides for the safe, orderly, and efficient circulation of traffic into and out of the proposed development, and negative impacts to the transportation system are mitigated adequately

Finding—The existing street system is adequate to serve the proposed development and the development is not proposing a building addition subject to SRC 803.040(a); therefore, no right-of-way dedication or street improvements are required.

Criteria: SRC 220.005(f)(3)(C) Parking areas and driveways are designed to facilitate safe and efficient movement of vehicles, bicycles, and pedestrians

Finding—The driveway access onto Valpak Road NE provides for safe turning movements into and out of the property.

Criteria: SRC 220.005(f)(3)(D) The proposed development will be adequately served with City water, sewer, storm drainage, and other utilities appropriate to the nature of the development

Finding—The Public Works Department has reviewed the applicant's preliminary plan for this site. The water, sewer, and storm infrastructure are available within surrounding streets/areas and appear to be adequate to serve the proposed development. The applicant does not show any new connections to public infrastructure.

Prepared by: Jennifer Scott, Program Manager
cc: File