

PLANNING COMMISSION MINUTES City Hall Council Chambers October 26, 2017
7:00 p.m.

The regularly scheduled meeting of the Pendleton Planning Commission was held October 26, 2017, at 6:58 p.m. in the City Hall Council Chambers with Commissioners Ryan DeGrofft, Sunny Harmeson, Maureen McCormach, Terry Clarke, Joseph Hull, and Vincent Papol present. Commissioner Brian Currin was absent. Staff members present were City Planner George Clough, Permit Technician Lora Elliott, and Planning Aide Julie Chase.

Reminder: The Commission should speak up or speak into the microphones so that the audience can hear the Commission.

COMMUNITY DISCUSSION: None CONSENT AGENDA: Minutes of October 12, 2017 meeting were approved.

PUBLIC HEARINGS: a. CUP17-09 (Harrison): Conditional use request to operate a marijuana grow facility at 504 SE 4th Street, a change of use from a vehicle repair facility, within the M-1 zone. The marijuana grow facility will operate within the existing vehicle repair structure. Marijuana grow sites are a Conditional Use in the M-1 Light Industrial Use zone. The property can be specifically identified on Assessor Map 2N32 11BD Tax Lot 00900, Umatilla County.

Order of Hearing was read into the record.

Conflicts of Interest/Exparte Contact: None.

Staff report: This application is to operate a marijuana growing facility at 504 SE 4th Street. It is within the M-1 Light Industrial Zone, and marijuana growing facilities are permitted conditionally. Retail is not permitted in the M-1, Light Industrial Zone. There are buildings on site with a variety of uses, including a 50' x 35' shop, a 14' x 27' paint booth, and mini storage units. The applicant did not specify how the buildings will be used in the marijuana growing operation. The north terminus of the property is against the railroad and its right-of-way. Parking requirements for this use include 1 parking space per 700 square feet of patron-serving space and 1 parking space per employee. The applicant will also need to provide one bicycle parking space. The applicant did not provide information on how the facility would be turned into a marijuana growing facility, so the required number of parking spaces could not be determined. The applicant will also need to create 40 square feet of landscaping per required parking space. Landscaping can be achieved a variety of ways, specifically through live vegetation. Wall signage will be limited to 70 square feet, based on the size of the building. Marijuana growing facilities typically do not use signage for security reasons, and the Commission may reduce or remove sign privileges. There have been concerns about air quality in the past, though the applicant has installed a high-performance carbon ventilation system to prevent odor. Staff recommends the approval of the application with conditions.

Questions to Staff: The Commission asked about the clear vision area requirement since the buildings on the lot are built to the property line. Staff indicates that traffic cannot go north past the building, and the requirement of a clear vision area does not apply to this application. The Commission also asked about the differences between a marijuana wholesaler and a marijuana manufacturing facility since parking space requirements could be affected. Staff said the current application is similar to other marijuana growing facilities in Pendleton, wherein the growing facilities acts like wholesale growers to dispensaries or processors. The Commission

asked whether there were requirements to remove underlying lot lines on the property, and staff indicated that there were none to remove from this property. The Commission also confirmed with Staff that the property has access to city services. The Commission discussed the ability to change or remove landscaping conditions from the application. The Commission also asked if the existing paint booth and mini storage units on the lot required conditional use approvals. They also asked whether the paint booth had been approved previously and if the change of use to a marijuana growing facility would nullify the existing conditional use. Staff verified that the mini storage units and the paint booth had a conditional use permits. The change of use would likely remove the previous conditional uses. The Commission discussed whether the existing conditional use approvals would need to be formally removed as a separate action of the Commission. Staff also clarified that the Commission is able to remove nondiscretionary and discretionary conditions.

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Applicant Testimony: Ron Harrison, P.O. Box 191, Notus, ID. He stated that the paint booth sits inside the 35' x 40' portion of the buildings on the property. He also said there are five storage units behind the primary building on the property that were used by the body shop for storage. The units are not rented out. The former paint booth is housed in a prefabricated, enclosed metal structure that will be used for the marijuana growing area because of its carbon filter ventilation system, segregated lighting, and temperature controls. All stages of the marijuana plants - seedlings, mixed stage plants, and finished plants - will be located within the shop building. The packaged product will be stored in the mini storage units on the property as per OLCC requirements.

The auto repair shop closed in December 2014, and the new marijuana growing business will be classified as a wholesale business which sells to marijuana retailers, according to OLCC regulations. He confirmed that there are three types of licenses available through OLCC, and that he will apply for a marijuana growers' license. The facility is secured by a 6' cyclone fence and the security system for the windows, doors, and buildings on the property will be upgraded by Smith Security to meet OLCC standards. There will be no signage on the facility. Existing landscaping of a 2' x 2' river rock irrigation ditch satisfied City requirements for landscaping. The business will employ two people. Neither employee will live on the premises. The business will sell its product on the open market tracked by OLCC, and customers will not visit the facility. The industrial feel of the area adjacent to the property and the nondescript look of the buildings will help mask it from the residences nearby. He indicated he has an agreement with the City to lease two on-street parking spots. There is also 100' of on-street parking. There is a sidewalk in front of the property, along with a concrete-paved driveway into the property. The property has a dumpster behind the fence, with potential to enclose it inside the shop building if necessary.

Proponents: Brandon Krenzler, 1733 SW Court Avenue: He is not acquainted with the applicant. Over \$100 million was recently dispersed throughout Oregon to communities who allow recreational marijuana. Each licensed marijuana business in a city increases its share of the money allocated from taxing recreational marijuana, in addition the 3% local tax

collected locally. This business will also create at least 2 jobs in the community. The applicant's marijuana business will likely meet around 1/10 of the full demand of any local dispensary, primarily because of the varying demands of consumers. Though it will take more resources to cultivate marijuana indoors, this facility will be able to produce regularly year-round.

Opponents: [REDACTED]: He is concerned with the amount of marijuana product stored on-site at one time. He is also concerned about children in the area and the potential to see into the facility through windows. He is also concerned about the business' ability to sell marijuana directly to consumers in the future.

[REDACTED]: She is acquainted with the Applicant, who previously owned a separate home and auto repair shop near her home. The current tenant of that facility grew marijuana plants for medical purposes up until six months ago, and she indicates that those plants produced unpleasant odors in the neighborhood. Once that tenant stopped growing medical marijuana plants, the odor subsided. She is also concerned that the adjacent flour mill uses the Applicant's property for storage. She also called attention to homeless individuals, children, and teenagers who frequent the area because of a nearby park, and she is concerned about potential crime. She feels that marijuana businesses would be a better use outside of the City.

Other: Ed Miltenberger, 803 SW Court Avenue: He discussed progress on the City's River Quarter Enhancement Plan.

Rebuttal: Ron Harrison: The finished marijuana product will be stored on site in the existing storage units, not exceeding 20-35 lbs. at a time in order to keep the product moving. There are 2 windows in the front of the building that are not behind the fence. One window looks into the shop office and the other is walled off in order to limit visibility and control the amount of light the marijuana plants receive. There is one more window behind the locked fence. Marijuana odor produced at his previous property was likely because he removed the carbon filtration system from that shop to use at this shop. He has verified with the manufacturer that his current carbon filtration system is approved by OSHA and will be adequate for removing marijuana odor from the air. The applicant will comply with safety requirements set by OLCC as a condition of receiving his marijuana growers' license. He will not use a hydroponic system. He will instead use soil and water using timer controlled sprinklers to reduce waste.

The public hearing was closed.

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Deliberation: The Commission was concerned with several of the conditions listed in the staff report which seem excessive and do not apply to this particular application for conditional use. The conditions listed in the staff report could be more succinct in the future. Many preexisting, nonconforming residences in industrial areas contribute to the occurrence of nuisances posed by marijuana businesses. The Commission found that OLCC requirements were stringent and adequate enough to ensure the safety of placing marijuana businesses near residences. Commissioner Papol moved to require the placement of bars on the facility's windows. The motion did not carry. Emergency access by Fire Department vehicles seemed to be a concern, though the Fire Department did not provide feedback on the

issue after they were notified. The auto business and paint booth have been closed longer than year, causing the previous conditional use approval to lapse.

Motions: Commissioner DeGrofft moved that the Commission adopt the findings and conclusions prepared by staff, as set forth in action CUP17-09 above. He further moved that the request for a Conditional Use to operate a marijuana wholesale grow facility at 504 SE 4th Street, within the M-1 Light Industrial zone, as set forth in action CUP17-09 be APPROVED, based on the information, findings and conclusions set forth above, subject to the conditions of approval as recommended by staff and agreed upon by the Commission. Commissioner Harmeson seconded the motion, and the motion passed 4-2.

REPORT OF THE CITY PLANNER The City is pursuing a tentative plat to divide the old St. Anthony Hospital property in order to create a suitable lot for the proposed fire station. The City plans to complete SE 15th Street and loop utilities through the property. Fire trucks will access the station from SE 14th Street, and will leave the station on SE 15th Street. A traffic control point will also be installed to prevent traffic issues.

The Commissioners also raised concern about nondiscretionary conditions listed in staff reports. Staff confirmed that they would diligently remove duplicate conditions, though they must list most of them based on regulations. The Commission may amend them during public hearing.

The meeting adjourned at 8:09 p.m.

Chairman Maureen McCormach Date Approved