



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Coast Guard City, USA

Planning and Community Development Department

Case No: CUP 20-15
Proposal: Marijuana Product Manufacturing Facility, Extract Only
Applicant: Darren Phillips for Fiberflite
Owner: Baranof Investments, LLC
Location: 120 E Jarvis Street
Legal Desc.: Lot 2A Sitka Projects Subdivision Lot 1 and Lot 2 Lot Line Adjustment
Zone: Industrial
Size: 34,458 square feet
Parcel ID: 3-0407-002
Existing Use: Industrial/Commercial
Adjacent Use: Industrial, Commercial, Public Facilities, and Residential
Utilities: Existing via easement
Access: Easement to Jarvis Street and Smith St.

KEY POINTS AND CONCERNS:

- Odor: Applicant has provided operation plan that includes filtration in application for state license. City conditions will also mandate odor control and amended plan for odor control plan details.
- Security: Applicant has provided a security plan as required by state license. City conditions will also mandate the maintenance of a security plan and SPD review.
- Waste management: State regulations and conditions of approval require a waste management plan. It is conditioned that disposal plan of wastewater, fertilizers, and chemicals be amended.
- Cultivation/product manufacturing has low traffic and parking demand. Site is sufficient for such use.
- No known sensitive uses within 500 feet. Applicant shall note what a sensitive use is.

RECOMMENDATION: Approve the conditional use permit, subject to the attached conditions of approval.

BACKGROUND/PROJECT DESCRIPTION

The proposal is for a conditional use permit for a marijuana product manufacturing facility, extract only (also more commonly referred to as a marijuana concentrate facility), located at 120 Jarvis Street Unit E, which is zoned Industrial. A conditional use permit (CUP)¹ pursuant to SGC 22.24.026 for a marijuana concentrate facility in an Industrial zone.

The proposal includes a concentrate processing operation within Unit E. These are two level units. Important to note is that unit E is a two level unit and has a footprint of approximately 1400 square feet, with a restricted access mezzanine for storage that is approximately 500 square feet.

A cultivation facility owned and operated by the applicant, not subject to this review, are located on the property as well in Unit C of this building. The existing operations have received all necessary municipal and state licenses and permits.

All review shall include standard application requirements as other conditional use permits. Review shall use specific criteria that are applicable to determine impact analysis, whether conditions of approval can mitigate negative impacts, and if there are no remaining impacts that have not been mitigated by the proposed conditions and therefore justifies approval. The criteria for analysis shall include all criteria in SGC 22.24.010(E)(1) and any impact or criteria that surfaces through public comment, planning staff review, or planning commission review.²

Findings of fact shall also be made in compliance with SGC. If approved, standard conditions as well as any additional conditions required to mitigate adverse impacts shall be required.

ANALYSIS

1. CRITERIA TO BE USED IN DETERMINING THE IMPACT OF CONDITIONAL USES.

a. Amount of vehicular traffic to be generated and impacts of the traffic on nearby land uses:

Traffic will not be substantially impacted by the proposed use, as it will only be accessed by employees, of which there is an estimated one to two vehicles that will park on-site. However, given that the lot is located in the Industrial District, moderate to heavy traffic is expected. In addition, manufacturing does not appear to create high traffic that exceeds the existing road system and layout.

b. Amount of noise to be generated and its impacts on surrounding land use:

The proposed use would not seem to generate much noise. Heat pumps and ventilation fans will be located within the facility. Some noise is expected in industrial zones; this use compared to other allowed uses in the industrial district adds minimal noise. Table 22.16.015-5, “no industrial use

¹ SGC Table 22.16.015-5 CUP required for Industrial zone for Marijuana concentrate facility.

² SGC 22.24.026(D)[staff note: Criteria for Review].

shall be of a nature, which is noxious or injurious to nearby properties by reason of smoke, emission, of dust, refuse matter, odor, gases, fumes, noise, vibration or similar conditions.” Any complaints about noise could result in termination of the permit, objection to the state license, or additional conditions added to a prospective conditional use permit to mitigate negative adverse impacts.

c. Odors to be generated by the use and their impacts: Odors are a potential concern for all marijuana establishments. Application states that the operation will be utilizing carbon filters to mitigate odor impacts. According to note 3 of Table 22.16.015-5, “no industrial use shall be of a nature, which is noxious or injurious to nearby properties by reason of smoke, emission, of dust, refuse matter, odor, gases, fumes, noise, vibration or similar conditions.” Odor impacts could result in termination of the CUP or additional mitigation requirements.

d. Hours of operation: Shall be allowed to fullest extent allowable by zoning, but applicant has indicated that operating hours may range from 8 to 16 hours a day. Due to the character of the industrial zone, staff does not see hours of operation generating an adverse impact.

e. Location along a major or collector street: Located along state highway, Sawmill Creek Road and collector Smith Street. No anticipated adverse impacts due to low trip volumes of proposed use and adequacy of surrounding road, driveway, and parking features.

f. Potential for users or clients to access the site through residential areas or substandard street creating a cut through traffic scenario: Proposed use is in an existing building. The use itself will not create or alter any access. Some access to the Smith Street side is platted via access easements; however, such access was anticipated when the area was platted. The use could encourage or create an opportunity to cut through from Jarvis to Smith and vice-versa. Cut through impacts could occur, though are not anticipated and not directly linked to this use. Applicant shall note this potential impact and take precautions to prevent it.

g. Effects on vehicular and pedestrian safety: Use and existing roads and access appear adequate; area is industrial in nature.

h. Ability of the police, fire, and EMS personnel to respond to emergency calls on the site: Site is accessible for police, fire, and EMS response. Knox Boxes will be installed on entry. Security system is in place.

i. Logic of the internal traffic layout: Property has extensive space and traffic areas.

j. Effects of signage on nearby uses: Any signs will need to comply with Sitka General Code and State of Alaska requirements.

k. Presence of existing or proposed buffers on the site or immediately adjacent the site: Site is north of some residential uses. The building will be approximately 77.5 feet from the residential building and is separated by vegetative buffers and screening, which would mitigate light, noise, smell, dust, and odor impacts. The rest of the surrounding uses are commercial, heavy commercial, or industrial in nature with appropriate spacing.

l. Relationship of the proposed conditional use to the goals, policies, and objectives of the comprehensive plan: Conforms to the chapter on Economic Development that supports promoting new entrepreneurial business, and supports growth of manufacturing businesses that add value to sustainably developed local resources (ED Action 6.7).

m. Other criteria that surface through public comments or planning commission review

1. Any impact or criteria that surfaces through public comment, planning staff review, or planning commission review. Building safety and equipment safety is being reviewed by the Building Department and shall be governed by Conditions of Approval.

Marijuana 500 Foot Buffers

The state requires a 500 foot buffer from sensitive uses that include educational facilities, recreational centers, youth centers, churches, or correctional facilities. This is measured in different ways. Educational, recreation center, and youth center type uses are measured from the public entrance of the marijuana establishment to the outer boundary of the sensitive use by the shortest pedestrian route (determined by State AMCO Board); or 2) from the public entrance of the marijuana establishment to the main public entrance of the religious or correctional facility measured by the shortest pedestrian route (determined by State AMCO Board). There are no state regulated sensitive uses that staff is aware of per site visit; however, the permit would include a condition that operations comply with state buffer requirements. The burden is upon the applicant.

Specific Guidance on Findings for Marijuana Uses (SGC 22.24.026(E))

Findings of Fact. Upon review and considerations of the required criteria, the planning commission shall determine whether the proposed use(s) at the proposed project location are found to not present a negative impact to the public's health, safety, and welfare.

1. If such a finding can be made, then the proposed use shall be approved with standard regulations, dimensions, and setbacks.

2. In the alternative, where the planning commission finds negative impacts are present, the planning commission shall only approve conditional use permits where the negative impacts can be adequately mitigated by conditions of approval that preserve the public's health, safety, and welfare. These conditions of approval shall be case-by-case specific and in addition to the standard regulations.
3. If negative impacts to the public's health, safety, and welfare cannot be mitigated through conditions of approval then the planning commission shall so find and deny the proposed conditional use permit.

RECOMMENDATION

It is recommended that the Planning Commission approve the conditional use permit request for a marijuana product manufacturing facility, extract only at 120 E Jarvis Street subject to conditions of approval.

ATTACHMENTS

- Attachment A: Aerial
- Attachment B: Zoning, Buffer, and Density Maps
- Attachment C: Site Plan
- Attachment D: Floor Plan
- Attachment E: Photos
- Attachment F: Plat and As-Built
- Attachment G: CBS Applications
- Attachment H: AMCO Application

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Motions in favor of approval:

- 1) **I move to approve** the conditional use permit request for a marijuana product manufacturing facility, extract only, at 120 Jarvis Street Unit E in the Industrial zone subject to the attached conditions of approval. The property is also known as Lot 2A Sitka Projects Subdivision Lot 1 and Lot 2 Lot Line Adjustment. The request is filed by Darren Phillips. The owner of record is Baranof Investments.

Conditions of Approval:

1. Owners, operators, and staff of conditional uses shall comply with all state and municipal licensing
2. All licensed facilities shall comply with all life and safety regulations as promulgated by the municipal building official.
3. All licensed manufacturing and cultivation uses shall provide a fire safety plan, material handling plan, and comply with all fire safety regulations that satisfy the fire

marshal or their designee and the building official.

4. All licensed facilities and/or uses shall provide screening from public view of any marijuana related commercial, retail, cultivation, or manufacturing use.
5. All licensed facilities and/or uses shall establish an active sales account and business registration with the municipality and shall comply with all standard and required accounting practices.
6. It shall be a standard regulation that all conditional uses comply with all applicable state regulations and licensing laws or it shall be deemed to abandon and extinguish any associated municipal license or conditional use permit.
7. All approved conditional use permits shall comply with all of the Sitka General Code or shall be deemed to abandon and extinguish any associated municipal license or conditional use permit.
8. The Planning Commission or Planning Department shall be able to schedule a hearing to resolve issues, impacts, or review conditions of approval related to meritorious issues connected to the public's health, safety, and welfare.

2) I move to find that there are no negative impacts present that have not been adequately mitigated by the attached conditions of approval, and move to adopt the following findings³:

1. ...The granting of the proposed conditional use permit will not:
 - a. Be detrimental to the public health, safety, and general welfare
 - b. Adversely affect the established character of the surrounding vicinity; nor
 - c. Be injurious to the uses, property, or improvements adjacent to, and in the vicinity of, the site upon which the proposed use is to be located.
2. The granting of the proposed conditional use permit is consistent and compatible with the intent of the goals, objectives, and policies of the comprehensive plan and any implementing regulation,
3. All conditions necessary to lessen any impacts of the proposed use are conditions that can be monitored and enforced.
4. The proposed use will not introduce hazardous conditions at the site that cannot be mitigated to protect adjacent properties, the vicinity, and the public health, safety and welfare of the community from such hazard.
5. The conditional use will be supported by, and not adversely affect, adequate public facilities and services; or that conditions can be imposed to lessen any adverse impacts on such facilities and services.
6. Burden of Proof. The applicant has the burden of proving that the proposed conditional use meets all of the criteria in subsection B of this section.

³ § 22.30.160.C – Required Findings for Conditional Use Permits