

## City of Rohnert Park Planning Commission Report

DATE:

April 13, 2017

ITEM No:

8.3

**SUBJECT:** 

PLUP17-0002 Agricultural Processing in the Industrial/Commercial Overlay

District

LOCATION: 5500 Commerce Blvd., Building B, APN 143-021-044

**REQUEST:** 

Approve a Conditional use Permit for a barley malting operation (agricultural

processing) in the I-L/C-R Industrial/Commercial Overlay District

**APPLICANT:** James Mahon, Grizzly Malt, LLC

#### **Background**

The subject property is a tenant space at 5500 Commerce Boulevard formerly occupied by Sonoma County Distilling. Building B is a 4,010 square foot space located in the middle of the block on the eastern edge of the 5500 Commerce complex. The property is owned by Rental Center Properties, also known as Jim-N-I Rentals.

This property is zoned Industrial/Commercial Overlay. Agricultural processing is allowed by Conditional Use Permit in this district. The property to the east is zoned Industrial, and the property to the south is zoned Industrial/Office Overlay. Surrounding uses include Sonoma County Distilling and Hertz Equipment Rentals.

#### Applicant's Proposal

Grizzly Malt intends to occupy the entire building with a barley malting operation (Exhibit A). Their proposal includes the following:

- Raw barley will be delivered to the facility between June and July as barley is harvested. It will be stored on premises until it goes through the malting process.
- Approximately one ton of malt will be processed at the facility each week.

- Deliveries will be made from the facility by truck or trailer approximately once a week for transportation to breweries and distilleries in the area.
- Malting processes are a 24 hour operation and like any sort of food/beverage production, progress checks may need to occur at any time of day or night (although the owner will strive to have those occur during daytime hours as possible).
- Grizzly Malt expects to eventually employ one to two employees at this facility.
- There will be a small (approximately 50 square feet) office located in the facility.

#### **Staff Analysis**

Craft malting is an emerging industry that echoes many of the trends in the craft brewing and craft distilling industries. Malted barley is one of the primary ingredients of beer and craft malt is in high demand by craft brewers (there are twenty-nine craft brewing operations in Sonoma County currently). Grizzly Malt is a new business that is poised to grow. In addition to the proposed Rohnert Park facility, Grizzly Malt is working on a second larger facility in Solano County slated to open in late 2017.

At the outset, the bulk of Grizzly Malt's barley will come from the Central Valley. Over time, Grizzly Malt seeks to contract with growers in Sonoma County for barley. Grizzly Malt believes there is a significant market for premium malted barley that is marketed as having been grown and malted in Sonoma County. After the grain is delivered to the facility it will be cleaned and stored until it is ready for malting. The malting process consists of the barley being steeped in water for approximately 48 hours, then being allowed seven to ten days to germinate. Upon germination the barley enters a kiln. After kilning, the malted barley is prepared for packaging, additional storage (if necessary), and distribution. The proposed Rohnert Park facility will process 50-60 tons of malted grain product annually. Processing will occur seven days a week, and by its very nature, will often occur around the clock. Barley malting does not produce strong odors. Any odors from this operation should be infrequent and undetectable beyond the property line as required in Rohnert Park Municipal Code Section 17.12.040.

#### Traffic, Parking, and Surrounding Uses

This is an excellent location in regards to access and adequacy of parking. There is adequate parking adjacent to the space. 5500 Commerce has numerous parking spaces spread throughout the property that Grizzly Malt and its employees will have access to. As this space was formerly utilized by Sonoma County Distilling, delivery traffic has already been occurring at this location. Deliveries of barley will only occur during normal business hours (weekdays, 8 a.m. to 5 p.m.). As this operation will be strictly business to business with no public retail sales there will be very little traffic associated with this or need for parking beyond deliveries and employees. The malting operation is appropriate for the space and location and it is not anticipated to conflict with any of the surrounding existing uses. Rather, this should actually complement emerging alcohol production uses locating in this area.

#### **Exterior Modifications**

Relatively minor changes will be made to the exterior of the building other than the construction of a new fence. The changes are minimal in nature and therefore Site Plan and Architectural Review is not required. Applicant has indicated on the site plan future outdoor grain silos. Those

are not being proposed for approval at this time as they would trigger Site Plan and Architectural Review. Applicant has indicated he will come back for Planning Commission approval at a later date for those exterior elements.

#### Conditions

Fire and Building Department personnel have been coordinating with the applicant on all building code, occupancy, and fire related issues. The conditions of approval have been crafted so as to require compliance with all building and fire requirements that may apply, as well as the applicant receiving any necessary permits from other applicable agencies.

#### **Environmental Determination**

This proposal is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) as a Class 1, Section 15301 Existing Facility. No further action is required pertaining to environmental review.

### **Findings**

The recommended findings to approve the Conditional Use Permit are included in the resolution.

#### **Public Notification**

This item was duly noticed by publication in the <u>Community Voice</u> on March 31, 2017 for the Conditional Use Permit and posted at the prescribed locations in Rohnert Park. Property owners within 300 feet of the project were mailed notices of the proposed application.

#### **Staff Recommendation**

Based on the analysis and findings of this report and the attached resolution, Staff recommends that the Planning Commission, by motion, adopt Resolution No. 2017-14 approving the Conditional Use Permit to allow a barley malting operation (agricultural processing), subject to the findings and conditions of approval.

#### **ATTACHMENTS:**

Planning Commission Resolution No. 2017-14

Applicant's Operation Narrative (3-16-2017)

Exhibit A – Site Plan – Sheet A100

Exhibit B – Site Plan – Sheet A101

Exhibit C – Floor Plan – Sheet A103

Exhibit D – Malting Process – Sheet A901

APPROVALS:

Zach Tutinger, Planner I

Date

Jeff Beiswenger, Planning Manager

Date

#### PLANNING COMMMISSION RESOLUTION NO. 2017-14

# A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF ROHNERT PARK, CALIFORNIA, APPROVING A CONDITIONAL USE PERMIT FOR AGRICULTURAL PROCESSING AT 5500 COMMERCE BOULEVARD (APN 143-021-044)

WHEREAS, the applicant, James Mahon of Grizzly Malt, LLC, filed Planning Application No. PLUP17-0002 for a Conditional Use Permit to allow a barley malting operation (agricultural processing) at 5500 Commerce Boulevard (APN 143-021-044), in accordance with the City of Rohnert Park Municipal Code;

**WHEREAS**, Planning Application No. PLUP16-0002 was processed in the time and manner prescribed by State and local law;

**WHEREAS**, on April 13, 2017, the Planning Commission reviewed Planning Application No. PLUP17-0002 during a scheduled and duly noticed public meeting at which time interested persons had an opportunity to testify either in support of or opposition to the project; and

WHEREAS, at the April 13, 2017, Planning Commission meeting, upon hearing and considering all testimony and arguments, if any, of all persons desiring to be heard, the Commission considered all the facts relating to Planning Application No. PLUP17-0002;

## NOW, THEREFORE, THE PLANNING COMMISSION OF THE CITY OF ROHNERT PARK DOES RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

- **Section 1.** That the above recitations are true and correct.
- **Section 2.** Findings. The Planning Commission, in approving Planning Application No. PLUP17-0002 makes the following findings, as required by Municipal Code section 17.25.014 (finding for conditional use permits), to wit:
- A. That the proposed location of the conditional use is consistent with the objectives of the zoning ordinance and the purpose of the district in which the site is located.
  - <u>Criteria Satisfied</u>. The addition of a barley malting operation is an industrial/agricultural processing use as well as a warehousing/storage and distribution use, all of which are intended for the Limited Industrial District. As stated in Section 17.06.080 (purpose of the industrial zoning districts), the intent of this district is to provide appropriate areas for businesses that process goods and are effectively integrated into the surrounding area. The barley malting operation is compatible with other surrounding uses and is the type of use contemplated for the district.
- B. That the proposed location of the conditional use and the conditions under which it would be operated or maintained will not be detrimental to the public health, safety, or welfare, or materially injurious to properties or improvements in the vicinity, and that the

operation and maintenance of the conditional use will be compatible with the surrounding uses.

<u>Criteria Satisfied</u>. The use is located in an industrial and warehousing area of the city and the minimal traffic (one to two truck trips per week and only one to two employees), parking, and noise it will generate will not be detrimental to public health, safety, and welfare will be preserved by the conditions required by the Planning, Building, and Public Safety Departments. There are no anticipated conflicts predicted to arise from the operation of a barley malting operation in this location.

C. The proposed conditional use will comply with each of the applicable provisions of this title.

<u>Criteria Satisfied.</u> The proposal has been reviewed for compliance with all applicable provisions of the Rohnert Park Municipal Code including Section 17.06.100 Limited Industrial District Permitted Uses (agricultural processing is allowed by Conditional Use Permit), Section 17.12.120 Screening of Activities and Mechanical Uses (the use is away from the street, with fencing provided around the active uses areas of the property and the majority of the use taking place indoors), Section 17.16.030 Off Street Parking Specific Requirements (ample parking for employees based on the square footage is found onsite), and 17.17.030 Off Street Loading Standards, Specific Requirements (one loading space is provided per the code requirements).

Section 4. Environmental Clearance. This proposal is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) as a Class 1, Section 15301 reuse of an existing building.

**NOW THEREFORE BE IT RESOLVED,** that the Planning Commission does hereby approve Planning Application No. PLUP17-0002 subject to the following conditions:

#### **Planning**

- 1. The Conditional Use approval shall expire one year from the Planning Commission approval date, unless prior to the expiration a building permit is issued and construction is commenced and diligently pursued toward completion.
- 2. The Project is approved as shown in Exhibits A through D and all other submitted plans except as conditioned or modified below.
- 3. This facility shall comply with any and all applicable provisions of the Rohnert Park Municipal Code and those of any state or federal agency.
- 4. The applicant shall obtain all necessary permits and clearances from the Rohnert Park Building and Public Safety Departments for any modifications to the interior or exterior of the building.

5. This Conditional Use Permit specifically does not approve the outdoor "future grain silos" as shown on Exhibit B (Sheet A101). Any outdoor grain silos must go through Site Plan and Architectural Review as detailed in Rohnert Park Municipal Code Sections 17.25.030 through 17.25.035.

#### **Building and Public Safety**

- 6. Improvements must be compliant with the 2016 California Fire Code, 2016 California Building Code, City of Rohnert Park Fire Division Code Ordinance #827 and NFPA 13, NFPA 72, NFPA 61.
- 7. At the time of building permit application, provide a detailed plan for containment, dust collection, and explosion control and how they will relate to fire and building codes. Consultation with a private fire protection engineer is recommended.
- 8. Sprinklers and Fire Alarms may be required to be compliant with current code if determined by the Building Official to be a change of occupancy type.
- 9. The cinder block wall located on the east side of the building in A101 View 5 must be removed to unblock the fire hydrant.
- 10. Access to the Fire Department Connection located on the west wall must remain clear.

**BE IT FURTHER RESOLVED** that said action shall not be deemed final until the appeal period has expired and that the appeal period shall be ten (10) working days from the date of said action. No building permits shall be issued until the appeal period has expired, providing there are no appeals.

**DULY AND REGULARLY ADOPTED** on this 13th day of April, 2017 by the City of Rohnert Park Planning Commission by the following vote:

|              | AYES:         | NOES:       | ABSEN         | NT: ABSTA          | IN:      |  |
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|              | Susan Hay     | don, Chairp | erson, Rohner | t Park Planning Co | mmission |  |
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|              |               |             |               |                    |          |  |
| Attest:      |               |             |               |                    |          |  |
| Susan Azeved | lo, Recording | Secretary   |               |                    |          |  |



March 16, 2017

City of Rohnert Park 130 Avram Avenue Rohnert Park, Ca. 94928

Please see below the concerns and the answers highlighted in yellow regarding RP Public Safety Letter and Comment and Incomplete Letter.

"This appears to be a change of use permit from an S occupancy to an H occupancy based on submittal. RP Fire needs confirmation by the RP Building Official to identify exact occupancy to determine what fire codes will be enforced."

Grizzly Malt believes that the structure will support occupancies that were provided with the plans as well as other occupancies listed in the RP Public Safety letter. Any changes to occupancy that may be required by the Building Department will be addressed during the building permit plan review.

"It is recommended that a private fire protection engineer is hired for review of all plans to be compliant for submittal of Grizzly Malt application."

Grizzly Malt has hired a private fire consultant to review all plans to be compliant.

"Business that deal with grain silo's and alcohol manufacturing will need to provide a
detailed plan from containment, dust collection, and explosion control and how they will
relate to fire and building codes."

Grizzly Malt's plans to construct silos have been delayed until Fall 2017 at which point we will address the installation with an Architectural Review submitted to the City and Planning Commission.

 "Sprinkler and Fire Alarm will have to be compliant with current code with change of occupancy type."

Grizzly Malt has hired a private fire consultant to review all plans to be compliant.

"As for the plans submitted currently the cinder block wall located on the east side of the building in A101 View 5 needs to be removed to unblock the fire hydrant."

Current occupant and property owner will remove this wall prior to Grizzly Malt signing the lease.

"Fire Department Connection located on the west wall needs to remain clear."

#### Grizzly Malt will maintain clearance for Fire Department

"Significant outdoor construction, remodeling, and improvements will trigger Site Plan &
 Architectural Review by City staff and the Planning Commission. The proposed 30 ton
 grain silos will not be approved at this time with the Conditional Use Permit. When and if
 you decide you want to move forward with the grain silos or any other exterior
 improvements you will need to come back to the City for those approvals."

Grizzly Malt's plans to construct silos have been delayed until Fall 2017 at which point we will address the installation with an Architectural Review submitted to the City and Planning Commission.

"Per RPMC Section 17.25.012.B.1 the City Requires a complete project summary that provides a description of all activities proposed for the site. You have submitted a detailed description of the malting process, however a one to two page write-up that breaks down items like the number of employees, hours of operation, deliveries, general business hours, future expansion plans, and any other information or narrative material that would provide City staff and the Planning Commission a full picture of the proposed use. Until we have received that project summary this application will be considered incomplete."

Please see attached project summary.

Regards,

James Mahon

/

Grizzly Malt 2206 Brookwood Ave. Santa Rosa, Ca. 95404 james@grizzlymalt.com



March 16, 2017

#### **Project Summary**

Grizzly Malt is positioning itself to be one of California's first malting facilities since prohibition by growing, malting and providing breweries and distilleries with California grown malt. With twenty-nine breweries in Sonoma County and a never-ending thirst for locally grown products, Rohnert Park is the perfectly located to bring our product to market.

Almost all Malt in North America is grown in the Midwest and Canada. Before Prohibition almost every major city and town in America had its own brewery and malting facility. Thereafter the beer and malting industries became massively consolidated and controlled by only a few companies. Since the eighties, craft breweries have become vastly more popular as they brewed in their particular regions. Craft malting facilities are poised to follow the same trajectory as the craft brew and craft distilling industries.

Grizzly Malt will operate on a small local scale, able to offer clients different varieties of grains outside of the commodity market (think commodity grapes vs. Zinfandel grown in the Dry Creek Valley). In addition, because the focus is on the micro scale, the offer to clients custom recipe schedules with those region specific grain varietals that they would never be able to purchase with commodity malt producers.

Malt is the second main ingredient in beer behind water. Malted barley gives brewers and distillers the sugars that are essential to creating alcohol in beer and whiskey while also providing unique flavor characteristics.

#### Rohnert Park Building

Grizzly Malt is business to business so there will be little to no traffic or visitors.

Our raw barley deliveries will take place between June and July as the barley is harvested and then stored until it is ready to go through the malting process. Those deliveries will take place via grain trucks to our facility for storage.

Approximately one ton of malt will be processed and delivered via pick up truck trailer once a week to breweries and distilleries in the area.

The malting process is a 24 hour a day process and access to the building 24 hours a day will be required to track progress of the process. We make great strides to make sure that the progress checks fall within reasonable hours, but occasionally with certain barley varieties some late night/early morning checking will need to be done.

#### Timeline

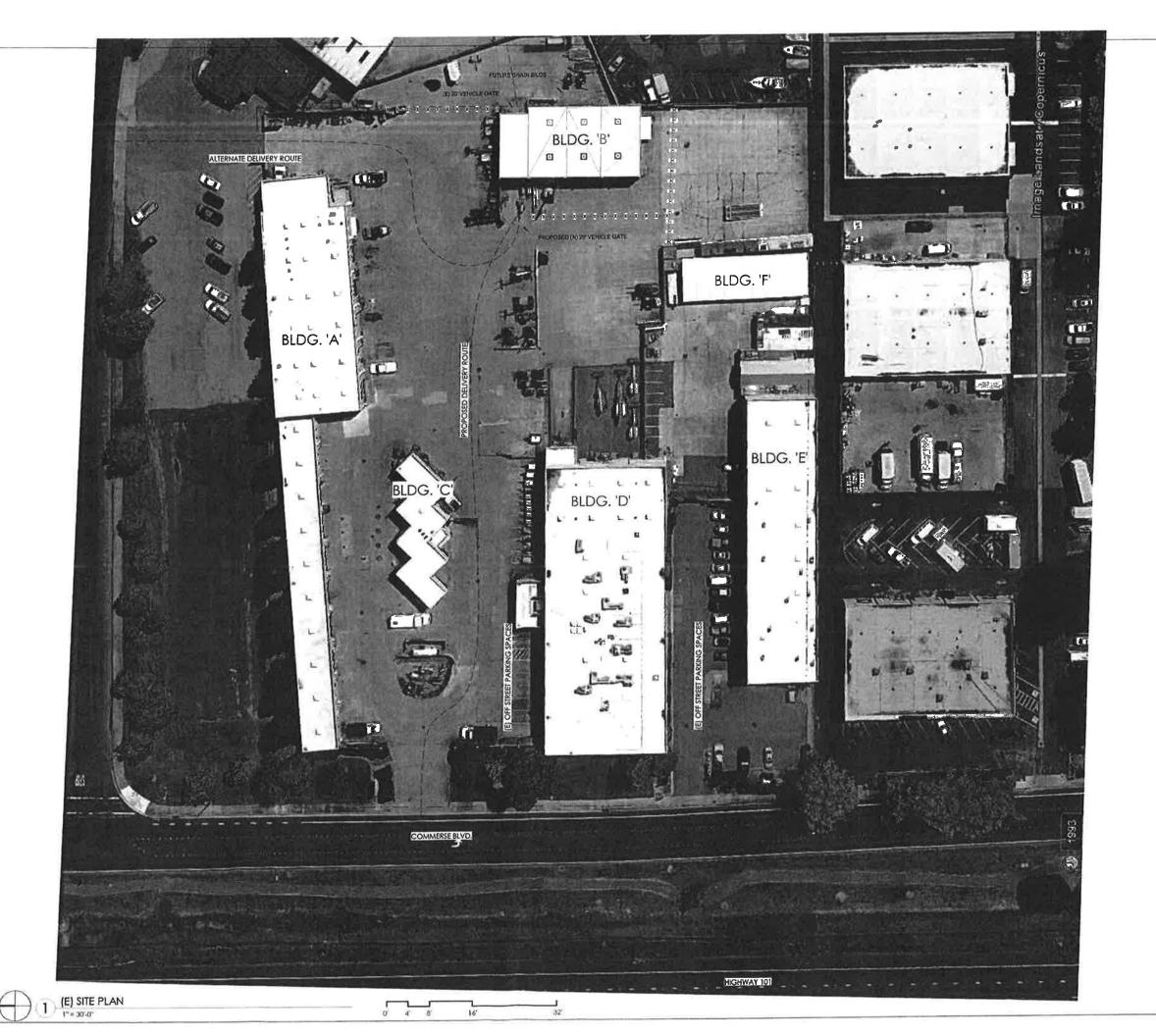
In June 2017 our one ton malting system will be finished and we will be able to start delivering malt within a couple of weeks after the system is installed.

A one ton system is not an adequate size system to even begin to meet the malt needs for a brewery or distillery. We are working with this size as a pilot system to help prove the model and begin working with breweries and distilleries on a small scale to develop recipes that are specific to California grown malt.

While the business model is being proven with our one ton system, we will simultaneously be working on a twenty ton system that will be installed in Solano County in the fall of 2017.

We anticipate one to two employees working at the Rohnert Park location within six months.

We are currently contracting with growers around the region to grow malt specific varieties of barley. All of our efforts for growers contracts have been focused in the Sacramento Valley. However, now that Rohnert Park has become an option for us we will be looking to contract with growers in Sonoma County as well.





P.O. Box 8

www.locusarchitecturestudio.com 0: 707,809,5550

## **EXHIBIT A**

| Revision/ Issue Schedule |             |      |
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GRIZZLY MALT, LLC

5500 COMMERSE BLVD. ROHNERT PARK, CA 94928

| Revision   |             |
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| Start Dale | 12/10/16    |
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| Checked by | Checker     |
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Site Plan

A100



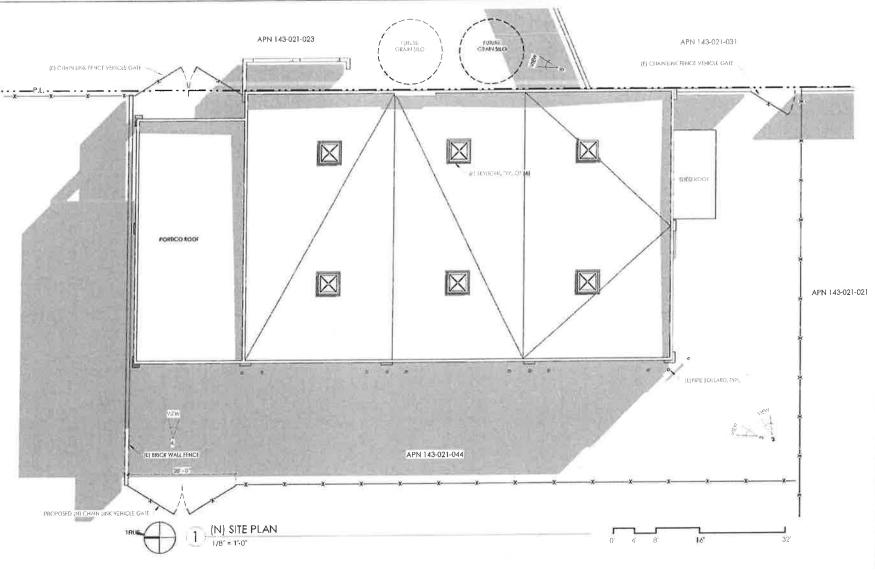
VIEW AT SOUTHWEST BLDG.CORNER



VIEW OF WEST ELEVATION



VIEW AT PORTICO





5 VIEW AT EAST SIDE OF BLDG.

#### GENERAL NOTES - SITE PLAN

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| 1  | IRRIGATION   |
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## **EXHIBIT B**

| Revision/Issue Schedule |             |      |  |
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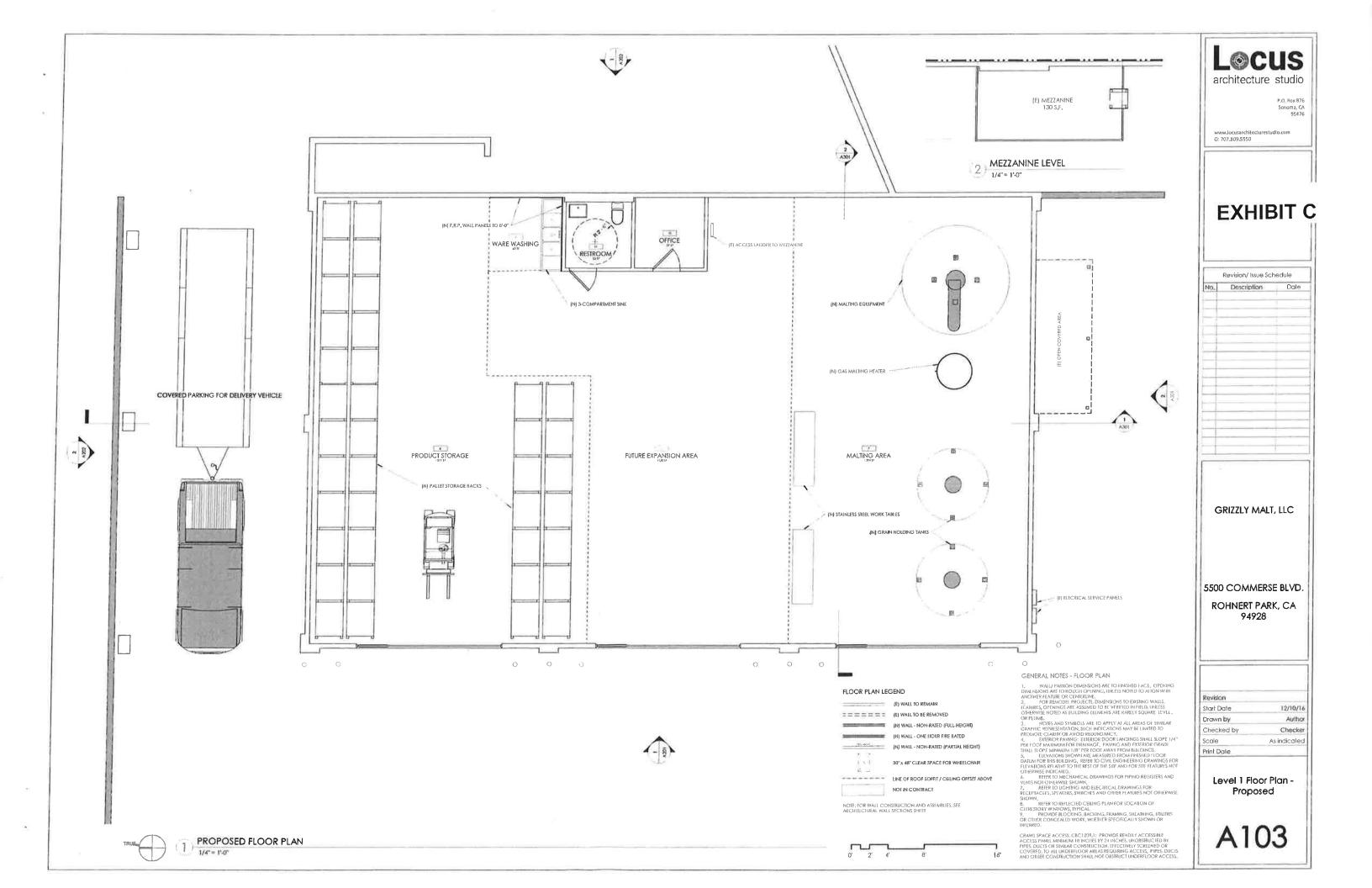
GRIZZLY MALT, LLC

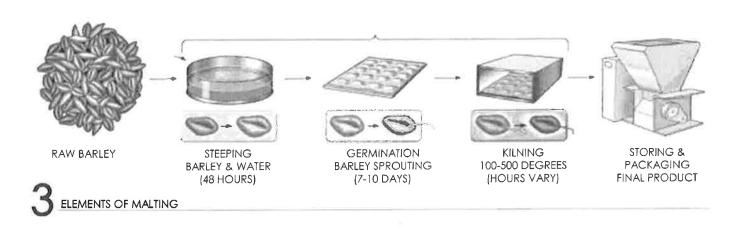
5500 COMMERSE BLVD. ROHNERT PARK, CA 94928

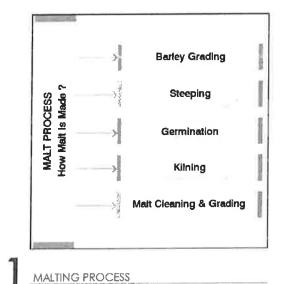
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Partial Site Plan & Existing Photos

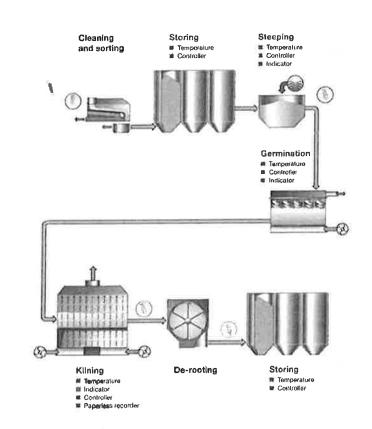
A101







CONICAL GRAIN STORAGE



2 MALTING EQUIPMENT PROCESS

### GRIZZLY MALT, LLC - OPERATIONS OUTLINE SUMMARY

HOURS OF OPERATIONS: 7 DAYS A WEEK 8AM - 5PM EXCLUDING HOLIDAYS NUMBER OF EMPLOYEES: 3
DELIVERIES SCHEDULE: SHIPPING & RECEIVING OCCUR WEEKDAYS 8AM - 5PM
DELIVERY FREQUENCY: EVERY 1-3 DAYS
BUSINESS IS NOT OPEN TO THE PUBLIC AND DOES NOT SELL DIRECTLY TO THE PUBLIC EXPECTED TONS OF MALTED GRAIN PRODUCED PER YEAR: 50 - 60 TONS

# **Locus** architecture studio

P.O. Box 876 Sonoma, CA 95476

www.locusarchitecturestudio.com O: 707.809.5550

## **EXHIBIT D**

| Revision/Issue Schedule |             |      |  |
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GRIZZLY MALT, LLC

5500 COMMERSE BLVD. ROHNERT PARK, CA 94928

| Revision   |          |
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| Starl Dale | 12/10/1  |
| Drawn by   | RD       |
| Checked by | Checke   |
| Scale      | 12" = 1% |
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Malting Process Info

A901