

IN THE BOARD OF COMMISSIONERS OF THE STATE OF OREGON

FOR THE COUNTY OF YAMHILL

SITTING FOR THE TRANSACTION OF COUNTY BUSINESS

In the Matter of Upholding the Planning	)	
Commission’s Approval and Denying the Appeals	)	
of Planning Docket SDR-28-19; Approval of Site	)	BOARD ORDER 20-50
Design Review for a Marijuana and Hemp	)	
Processing Facility on Tax Lot 2231-3201, Located	)	
at 18505 NE Jaquith Road, Applicants OreTex	)	
Farms, LLC, JCB Farms, LLC and Christopher	)	
Bryan	)	

THE BOARD OF COMMISSIONERS OF YAMHILL COUNTY, OREGON (“the Board”) sat for the transaction of county business in formal session on February 13, 2020, Commissioners Casey Kulla and Mary Starrett being present, and Richard L. “Rick” Olson being excused.

IT APPEARING TO THE BOARD as follows:

A. On November 7, 2019, the Planning Commission held a hearing on the applicant’s request to site a marijuana and hemp processing facility on a 22.7-acre parcel zoned EF-40. Such a facility is an allowed use in EFU zones under state law. On December 5, 2019, the Planning Commission voted 6-1 to approve the application, with conditions

B. The Planning Commission’s decision was appealed to the Board, which held a hearing on January 9, 2020. The hearing was continued to January 16, 2020, at which time the Board deliberated and voted unanimously (3-0) to uphold the Planning Commission’s decision, deny the appeal, and approve the application, with conditions; NOW THEREFORE,

IT IS HEREBY ORDERED BY THE BOARD AS FOLLOWS:

Section 1. The Planning Commission’s decision to approve Planning Docket SDR-28-19 is hereby upheld, the appeal filed in this matter is denied, and the application is approved.

//  
  
//  
  
//  
  
//  
  
//

Section 2. The findings and conditions attached as Exhibit A, and incorporated herein by reference, are hereby adopted in support of, and as part of, this Order.

DONE at McMinnville, Oregon on February 13, 2020.

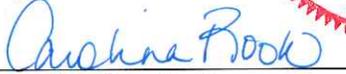
ATTEST



YAMHILL COUNTY BOARD OF COMMISSIONERS

BRIAN VAN BERGEN  
County Clerk

  
\_\_\_\_\_  
CASEY KULLA

By:   
\_\_\_\_\_  
Deputy Carolina Rook

  
\_\_\_\_\_  
Commissioner MARY STARRETT

FORM APPROVED BY:

  
\_\_\_\_\_  
Timothy S. Sadlo  
Senior Assistant County Counsel

(excused)  
\_\_\_\_\_  
Commissioner RICHARD L. "RICK" OLSON

**Exhibit A  
Board Order 20-50**

**Findings in Support of Approval of  
Docket No. SDR-28-19, and Conditions of Approval**

**DOCKET NO.:** SDR-28-19

**REQUEST:** Site design review for a recreational marijuana and industrial hemp processing facility.

**APPLICANT:** OreTex Farms, LLC, JCB Farms, LLC, Christopher Bryan

**OWNER:** WAG Holdings, LLC

**APPELLANT:** Laura Cochran, Jill Anderson

**TAX LOT:** 2231-3201

**LOCATION:** 18505 NE Jaquith Road, Newberg

**ZONE:** EF-40, Exclusive Farm Use District

**CRITERIA:** Sections 402.02(E) and 1101.02 of the *Yamhill County Zoning Ordinance* and ORS 215.283(1)(r).

**1. Background Facts**

**1.1** *Lot size:* Approximately 22.7 acres.

**1.2** *Access:* Driveway with direct access onto NE Jaquith Road.

**1.3** *On-site Land Use and Zoning:* The property is zoned for Exclusive Farm use and currently contains a residence, which will be occupied by Christopher Bryan, a co-applicant and the facilities manager. There are three existing agricultural buildings on-site, two of which will be used in the growing operation and the third will be used as the processing facility. The buildings to be used for production are the two northernmost buildings, measuring 3,500-square feet and 6,400-square feet, respectively. As shown on the applicant's site plan, two 1,500-gallon water storage tanks will be placed adjacent to the northernmost agricultural building, the 3,500-square foot structure. Approximately 10,000-square feet of marijuana and/or hemp will be cultivated within the existing 6,400-square foot and 3,500-square foot agricultural buildings located near the applicant's northern property line. The third existing agricultural building is a 1,100-square foot structure, located near the southeast corner of the residence, which the applicant will use as the processing facility. This 1,100-square foot building to be used as the processing facility is located approximately 300 feet from the nearest off-site residence, which is located on the adjoining parcel

to the north, Tax Lot R2231-03202, owned by Patricia Royer. Additionally, the applicant will farm between 5- and 10-acres of hemp on the property. A new, approximately 10,000-square foot, agricultural building is planned for construction in 2020 or 2021. Approximately 3,500-square feet of this new building will be used for hemp/marijuana processing with the remaining area used for other agricultural activities including drying/curing of plant material, storage, and an administrative office. This future proposed agricultural building will be located approximately 30-feet from the applicant's western property line and to the south of the existing 1,100-square foot building. In addition, there are two shipping containers located on the property that will be used to store farm equipment.

**1.4** *Surrounding Land Uses and Zoning:* The surrounding parcels to the north and west are located within the Exclusive Farm use District, the EF-40 zone. Parcels to the south are located within the Agriculture/Forestry Large Holding District, the AF-20 zone. Parcels to the east are within Washington County's jurisdiction, as this stretch of Jaquith Road runs approximately parallel to the Yamhill/Washington County line. Land use on surrounding properties appears to be passive forest uses with little logging activity evident, as well as some agricultural and rural residential uses scattered throughout the surrounding area. Agricultural uses in the area appear to be fruit or nut orchards, hay production, Christmas tree cultivation, and livestock pasturage.

**1.5** *Water:* The applicant has obtained authorization from the City of McMinnville to truck municipal water for the hemp and marijuana production and proposed processing activities. The applicant is currently working through the permitting process with the Department of Water Resources to obtain the necessary water rights for the on-site agricultural uses. The applicant also plans to utilize water-saving techniques, such as drip irrigation, mulching, and a rain-water catchment system.

**1.6** *Sewage Disposal:* There is an existing septic system on the property, which may need to be improved to serve the new use.

**1.7** *Fire Protection:* Tualatin Valley Fire & Rescue.

**1.8** *Previous Actions:* There are no previous land use actions associated with this lot.

## **2. Ordinance and statutory farm processing limitations**

**2.1** Section 402.02(E) of the *Yamhill County Zoning Ordinance* (YCZO) lists as a permitted use:

“E. A facility for the processing of farm crops located on a farm operation and provides at least one-quarter of the farm crops processed at the facility. The building established for the processing facility shall not exceed 10,000 square feet of floor area exclusive of the floor area designated for preparation, storage, or other farm use or devote more than 10,000 square feet to the processing activities within another building supporting farm uses. The

application will also be subject to Section 1101, Site Design Review.”

**2.2** ORS 215.283(1)(r) states: The following uses may be established in any area zoned for exclusive farm use:

“A facility for the processing of farm crops or for the production of biofuel, as defined in ORS 315.141, if the facility is located on a farm operation that provides at least one-quarter of the farm crops processed at the facility, or an establishment for the slaughter, processing or selling of poultry or poultry products pursuant to ORS 603.038. If a building is established or used for the processing facility or establishment, the farm operator may not devote more than 10,000 square feet of floor area to the processing facility or establishment, exclusive of the floor area designated for preparation, storage or other farm use. A processing facility or establishment must comply with all applicable siting standards but the standards may not be applied in a manner that prohibits the siting of the processing facility or establishment [emphasis added].”

**2.3** At least one-quarter (25%) of the farm crops processed at the proposed processing facility must be grown or provided for by the farm operation. The applicant will grow approximately 10,000-square feet of marijuana and/or industrial hemp indoors, and between 5- and 10-acres of industrial hemp outdoors, for processing in the facility. Indoor cultivation will occur within existing buildings on site that are designed for an indoor grow operation. The subject property is 22.7 acres, with approximately 16 acres of the property being a cleared, grass field. Considering the existing production facility on the site and the available farm acreage, it is feasible for the applicant to produce at least one-quarter of the hemp and marijuana to be processed on-site. As a condition of approval, the applicant is required annually to submit to the Planning Director a written statement prepared by a certified public accountant that certifies compliance with the one-quarter processing requirement.

**2.4** The applicant will use an existing 1,100 square foot building and approximately 3,500 square feet of a building to be constructed in the future to process marijuana and/or industrial hemp. At full build-out, the total floor area of the processing facility will be no more than 5,000 square feet, which complies with the requirement that a processing facility shall not exceed 10,000 square feet of floor area.

**2.5** The applicant will use a closed loop ethanol extraction system, vacuum ovens, rotary evaporators, scroll vacuum pumps, chillers, a commercial scale short path distillation system, and an isolate reactor with chromatography machine to produce cannabidiol (CBD) extracts such as CBD isolate and CBD distillate. The closed-loop processing system will recover approximately 97% of the ethanol used in the processing of the plant materials. The only loss of ethanol in the system is through evaporation or biomass waste. The applicant will also use a closed loop hydrocarbon extraction system, vacuum ovens, scroll vacuum pumps, rotary evaporators, a short path distillation plant, and chillers to produce various THC extracts. As a condition of approval,

all waste from the processing facility must be disposed of in accordance with Oregon Department of Agriculture (ODA), Department of Environmental Quality (DEQ), and the Oregon Liquor Control Commission (OLCC) regulations.

**2.6** The on-site cultivation (e.g., production) of industrial hemp and recreational marijuana is not part of this site design review application as cultivation is a permitted use and does not require land use approval.

**2.7** The application and additional materials submitted in the course of the hearing address, and demonstrate compliance with, the applicable standards referenced in YCZO section 402.02(E) and ORS 215.283(1)(r).

**3. Site Design Review** Section 1101.02 of the YCZO governs site design review, and states:

“Review of a site development plan shall be based upon consideration of the following:

- (1) Characteristics of adjoining and surrounding uses;
- (2) Economic factors relating to the proposed use;
- (3) Traffic safety, internal circulation and parking;
- (4) Provisions for adequate noise and/or visual buffering from noncompatible uses;
- (5) Retention of existing natural features on site;
- (6) Problems that may arise due to development within potential hazard areas.
- (7) Comments and/or recommendations of adjacent and vicinity property owners whose interests may be affected by the proposed use.”

**3.1** Regarding consideration factor (1), “Characteristics of adjoining and surrounding uses,” the characteristics of adjoining and surrounding uses are well documented in the record, and conditions of approval are imposed to minimize impacts to those uses from the proposed processing facility. Land uses in the surrounding area are passive forest uses, with little logging activity evident, as well as some agricultural and rural residential uses scattered throughout the surrounding area. Agricultural uses in the area appear to be fruit or nut orchards, hay production, Christmas tree cultivation and livestock pasturage. An adjacent parcel to the southeast is a commercial-scale fruit or nut orchard. The remaining adjacent parcels appear to be dedicated to passive forest and rural residential uses. The nearest dwelling to the proposed 1,100-square foot processing facility is approximately 300 feet away, on the parcel immediately to the north; there is also a home approximately 500 feet to the southwest and a home roughly 700 feet to the east of the proposed processing facility. The future new 10,000-square foot building that will house

approximately 3,500 square feet of processing space will be the southernmost building on the property and will be located approximately 100 feet south of the existing 1,100-square foot building.

**3.1.1.** As stated earlier, the surrounding parcels to the north and west are located within the Exclusive Farm use District, the EF-40 zone. Parcels to the south are located within the Agriculture/Forestry Large Holding District, the AF-20 zone. Parcels to the east are within Washington County's jurisdiction, as this stretch of Jaquith Road runs approximately parallel to the Yamhill/Washington County line. The zoning of surrounding parcels is instructive because it informs which land uses are permitted on such parcels. In the EF-40 and AF-20 zones, farm uses are permitted outright. While there are residences on some of the EF-40 and AF-20 parcels, the residences are intended to be dwellings in conjunction with farm or agricultural use. YCZO Section 402.03(A) through (H) and YCZO Section 403.03(A) through (I). Dwellings not in conjunction with farm or agricultural use are permitted only in limited circumstances. YCZO Sections 402.03 and 403.03. The Very Low Density Residential District (VLDR) and Low Density Residential District (LDR) are the districts intended to accommodate rural residential development. YCZO Sections 502 and 503. However, neither the subject property nor the surrounding parcels are zoned VLDR or LDR.

**3.1.2.** Under the Yamhill County Comprehensive Plan, Section II.A "Agricultural Lands," it is the goal of the County to "[c]onserve Yamhill County's farmland for the production of crops and livestock \* \* \*." The State of Oregon deems marijuana to be a crop for farm use purposes. ORS 475B.526. Both the state and Yamhill County have concluded that EFU land should be used for farming, including hemp/marijuana production/processing, which is what the applicant intends to do under its application.

**3.2** Regarding consideration factor (2), "Economic factors relating to the proposed use," there are no relevant, identifiable economic factors which would prevent the applicant from establishing the proposed marijuana and industrial hemp processing facility. Operating the processing facility on-site will enable the applicant to obtain a higher economic return from the extracted products, rather than from selling the raw hemp materials or marijuana. The processing facility will also create jobs for the local community and otherwise promote use of the property for farming.

**3.3** Regarding consideration factor (3), "Traffic safety, internal circulation and parking," the site is adequate for traffic safety, internal circulation and parking. The property has an existing paved access driveway that comes directly from NE Jaquith Road. Internal circulation is facilitated in part by a wraparound circular driveway which provides access to all of the buildings on-site and also allows for the safe and orderly ingress and egress of delivery trucks and personal vehicles. There are sufficient paved or graveled parking areas on the property, near the on-site buildings, to park up to twenty vehicles. The applicant submitted a traffic study on November 6, 2019, and a subsequent addendum to the traffic study, on November 18, 2019, to address the County Engineer's request for a review of the site distance at the intersection of Jaquith Road and Mountain Top Road. The applicant's traffic study evaluated traffic generated by the entire agricultural operation, including both production and processing. The traffic engineer for the applicant conducted the follow-up analysis requested by the County Engineer and found that the site distance standard is met at the Jaquith Road and Mountain Top Road intersection from the

east, and that, with some clearing of vegetation, the sightline standard can be met from the west. As a condition of approval, the applicant is required to clear vegetation in the southeast corner of the applicant's parcel, at the junction of NE Jaquith Road and NE Mountain Top Road, in accordance with the clear-vision standards in subsection 402.09(F) of the Yamhill County Zoning Ordinance.

**3.3.1.** Deliveries of hemp and/or marijuana, grown off-site for processing at the applicant's facility, will be delivered by van or box truck, and as the amount of acreage planted to hemp increases, the number of deliveries will decrease. The applicant has purchased a 26,000 GVW water truck to deliver City of McMinnville municipal water to irrigate and process hemp and marijuana. The applicant has also submitted an application for a groundwater right to the Oregon Department of Water Resources, which is currently under review. As demonstrated in the applicant's traffic study, the number of deliveries will vary with the season, and there will be an average of four water deliveries per week. The applicant's operation is expected to employ a maximum of eight full-time employees and ten part-time employees. It is anticipated that there will be no more than thirteen employees on-site per 12-hour day shift. As demonstrated in the applicant's traffic study, there will be approximately 30 new trips generated per week once the processing facility becomes operational, and approximately 26 of those trips will be generated from employees personal vehicles, with delivery truck visits accounting for the remaining four new weekly trips. In accordance with the applicant's traffic engineer reports, the Board finds that this amount of traffic is in keeping with other similarly sized agricultural operations in the county, that the estimated traffic generation from the site will not bring nearby roads anywhere near their maximum design capacity, and that the applicant's facility can be safely and adequately supported by existing transportation facilities.

**3.3.2.** The County Engineer did not raise any concerns about internal circulation, parking, the capacity of nearby roads to support increased traffic volume, roadway width, roadway maintenance, or the presence of heavy trucks on the roads. Although opponents raised such concerns, the applicant has adequately planned for the on-site management of traffic and internal circulation of vehicles accessing the site during both the construction and farming phases of development on the property. The applicant's proposed processing facilities will not cause a significant increase in the overall traffic of the area, and there is plenty of space for vehicles to safely access, maneuver, and park on the property.

**3.4.** Regarding consideration factor (4), "Provisions for adequate noise and/or visual buffering from noncompatible uses," both DEQ and the County expressly exempt farming and agricultural activities from noise control regulations. OAR 340-035-0035(5)(1) and Yamhill County Ordinance 822, Section 7(a). Hemp and marijuana are crops for farm use purposes. The equipment used to process the hemp and marijuana crops are no louder than other farm machinery commonly associated with farm uses within the Exclusive Farm zone. Furthermore, all of the crop processing will take place indoors within agricultural buildings.

**3.4.1.** The Board relies on the noise and odor technical reports prepared by a registered professional engineer and submitted by the applicant, as the most credible and expert testimony received regarding noise and odor. As demonstrated in the noise report, the projected noise levels at the applicant's property lines, if all noise-generating machinery were operating concurrently and

at full capacity, would not exceed the most restrictive nighttime noise standard to ensure compliance with DEQ noise limits. Nevertheless, the applicant has offered to partially enclose the exterior HVAC units closest to the northern property line to buffer the noise from such units while still allowing them to continue to function as an air exchange system (even though the units are not part of the processing facility). As a condition of approval, the applicant is required to partially enclose the HVAC units on the north side of the northern-most building on the site with a masonry wall built up to the roof line of the building, but allowing air to be exchanged from the sides.

**3.4.2** Further visual buffering of the facility will not be necessary because the processing facilities will be located within agricultural buildings located near the back of the property, more than 500 feet away from nearby roadways. The agricultural buildings are visually buffered by a thick forest from parcels to the west, and they are visually buffered by established vegetation and two approximately 6-foot tall fences from the neighboring parcel to the north.

**3.5** Regarding consideration factor (5), “Retention of existing natural features on site,” the marijuana and hemp processing facility will be located within an existing agricultural building, in addition to an agricultural building that is proposed for construction in the future. The new agricultural building is proposed to be built primarily within an open grass field and will require the removal of a few trees near the western boundary of the site. As previously stated, the western boundary of the site is buffered by a thick forest. Aside from disturbance to the grass field and removal of a few trees, there are no identified natural features of note that could be disturbed by the proposed construction of the agricultural building and use of the existing agricultural building as processing facilities. There are no mapped wetlands or other protected natural features located on the property.

**3.6.** Regarding consideration factor (6), “Problems that may arise due to the development within potential hazard areas,” the property is not located within an identified hazard area and the applicant is required to obtain all required permits prior to construction of a new agriculture/processing building to ensure the building is safely built.

**3.7.** Regarding consideration factor (7), “Comments and/or recommendations of adjacent and vicinity property owners whose interests may be affected by the proposed use,” the Board has received and considered numerous comments from adjacent and vicinity property owners, and has considered all such comments and recommendations. The application was processed using the “Type B” procedure, as described in section 1300 of the YCZO, and neighboring property owners whose interests may be affected submitted a variety of comments. Hearings were held before the Planning Commission and the Board of Commissioners. Conditions have been imposed, in part in response to comments received. Several commenters raised issues that are unrelated to applicable approval criteria or that do not constitute a proper basis to deny this application, and are not addressed here. The Board’s findings regarding some of the comments received are as follows:

**3.7.1. Property values.** Many neighboring property owners are concerned that the proposed hemp and marijuana processing facility will have a negative impact on their property values. There is not substantial, credible evidence in the record to support the contention that neighboring property values will decrease as a result of the applicant’s facility, and such contention

is purely speculative. Furthermore, this issue is not related to the specific standards and criteria established in the YCZO and is irrelevant.

**3.7.2. Safety and Security.** Neighboring property owners are concerned about the potential hazards associated with a cannabis processing facility, including the employment of armed security guards on-site; that aggressive and unfenced guard dogs may be brought to the property; and that criminal activities may increase in the area due to the applicant growing and storing a high-value crop on-site. The Board finds there is not substantial evidence in the record to support the contention that the applicant intends to employ armed security guards or guard dogs. The applicant intends to utilize numerous cameras, contact sensors, motion detectors, an alarm system, and commercial-grade locks and safes, as required by the OLCC, to protect against potential theft and to keep the site safe. None of these proposed security measures decrease the safety or security of neighboring properties.

**3.7.3. Use and Disposal of Chemicals.** Neighboring property owners are concerned about the applicant's potential use of chemicals during the processing of hemp and cannabis on-site and the safe disposal of any chemicals that may be utilized, with particular emphasis on the ethanol extraction system, but also the hydrocarbon system. The Board finds the applicant will be using a closed-loop ethanol extraction system that recovers approximately 97% of the ethanol and has a low temperature rating, which means that little to no ethanol actually leaves the system. Furthermore, the low temperature rating reduces the risk of any combustion taking place. Additionally, all extraction system equipment is UL-listed and meets industry standards. The Oregon Department of Environmental Quality (DEQ) has a regulatory role in air emissions, solid waste, hazardous waste, and wastewater management. All biomass waste found with solvents will be disposed of in compliance with all state agency rules and regulations. As a condition of approval, the applicant shall obtain all necessary DEQ permits and comply with all state agency hemp and marijuana waste regulations.

**3.7.4. Depletion and/or Contamination of Groundwater.** Neighboring property owners are concerned about the potential negative impacts to the local aquifer due to over-extraction of groundwater or contamination of the aquifer due to chemicals used in the processing of hemp and cannabis. As an initial matter, the issue of water rights is regulated by the Oregon Water Resources Department and is outside the purview of the county. Furthermore, the processing of hemp and cannabis requires very little, if any, water. The amount of water necessary for processing can be obtained from the applicant's rainwater catchment system. Nevertheless, the applicant has obtained legal access to municipal water from the City of McMinnville and has purchased a 26,000 GVW water truck to deliver such water to the Property for the applicant's operation. No water from any domestic well on the Property will be used for processing. With regard to contamination, as discussed elsewhere in these findings, as a condition of approval, the applicant shall obtain all necessary DEQ permits and comply with all state agency hemp and marijuana waste regulations.

**3.7.5. Unpermitted Buildings On-Site.** Neighboring property owners are concerned that some of the structures on the applicant's parcel were built without permits by the previous owner/tenant of the property. The Board finds that all of the existing agricultural buildings on the property have been issued agricultural building permits, which were approved by the County on

September 11, 2019. The applicant is not associated with the previous owner/tenant of the property and is not responsible for any prior bad acts by the former owner/tenant of the property.

**3.7.6. Lack of Regulations for Hemp and Marijuana.** Neighboring property owners are concerned about the lack of regulations regarding hemp and marijuana production and processing. The Board finds that there are state agencies responsible for regulating hemp and marijuana. The Oregon Department of Agriculture is the state agency responsible for enforcing state statutes and regulations regarding the production, processing, and safe handling of hemp. The Oregon Liquor Control Commission is the state agency responsible for enforcing state statutes and regulations regarding the production, processing, and safe handling of marijuana. Both agencies have expertise in regulating hemp and marijuana that the county does not have. None of the procedures or processes proposed to be used by the applicants are prohibited by state regulators, and only procedures and processes allowed by the state will be employed on the site under state oversight.

**3.7.7. Increased Odor.** Neighboring property owners are concerned about negative impacts caused by malodors from the applicant's processing facility. Yamhill County does not regulate odors or require any odor control measures for hemp/marijuana production or processing facilities (or any other farm processing facilities). Nevertheless, the applicant has designed their indoor production and processing facilities with significant odor control measures, such as activated carbon filters on the intake and exhaust vents, and the use of ion generators mounted either inside the building's air handler or in the supply ductwork, which will ensure compliance with State odor nuisance control requirements. The Board finds credible and relies on the expert noise and odor technical reports by a licensed professional engineer and submitted by the applicant. As demonstrated by such noise and odor reports, the applicant's proposed odor control system will comply with State odor control requirements. As a condition of approval, the applicant will ensure that the HVAC system for the structure or structures containing the processing facilities will be equipped with activated carbon filters or a similar device, and that the filters and similar devices will be maintained to ensure noxious odors are mitigated while the processing facility is operational.

**3.8.** The purpose of Site Design Review is to guide the design and layout of an applicant's site. The County's site design approval factors must be considered, and are intended to identify potential impacts that can be minimized by the imposition of conditions. They are not objective standards. The applicant provided all information necessary to properly address the applicable factors. The Board has taken into consideration all of the site design review factors listed under YCZO Section 1101.02 and finds that the application complies with law. The imposed conditions will minimize potential impacts identified through the application and review process. For the reasons stated in these findings, the Board approves the subject application.

//

//

//

//

### Conditions of Approval

1. The processing facility and parking area shall be sited in the location identified on the site map contained within the application and shall substantially conform to the proposed site plans (see Exhibit A1.1 and Exhibit C2.1).
2. Prior to operation of the processing facility or issuance of building permits, the applicant shall obtain any necessary septic permits from the County Sanitarian.
3. Prior to operation of the processing facility, any required building, plumbing, mechanical, or electrical permits shall be obtained from the Yamhill County Planning Department.
4. Prior to issuance of permits, the water supply, access, and applicable fire safety standards shall be required to meet the Tualatin Valley Fire & Rescue standards and evidence of this approval shall be provided to the Planning Department.
5. Prior to operation of the processing facility the applicant shall obtain all permits required by the Department of Environmental Quality (DEQ), the Oregon Liquor Control Commission (OLCC), the Oregon Health Authority (OHA), and the Oregon Department of Agriculture (ODA) and evidence of these approvals shall be provided to the Planning Department.
6. Any lighting used to illuminate the processing facility or grounds shall be placed, shielded or deflected so as not to shine onto adjacent dwellings or create excessive glare along the adjacent road. Any lighting from an interior grow operation shall either be turned off or shielded daily from 9:00 p.m. to 7:00 a.m.
7. Prior to operation of the processing facility, the applicant shall establish and permanently maintain parking in accordance with the submitted plan and section 1007 of the YCZO. Should the number of employees increase, the number of parking spaces shall increase as well. No on-street parking is allowed.
8. The farm operation shall provide at least one-quarter (¼) of the farm crops processed at the facility.
9. Annually, beginning one year from the approval date for the processing facility, the applicant shall submit to the Yamhill County Planning Director a written statement prepared by a certified public accountant that certifies compliance of the processing facility with Condition #8 of the Site Design Review approval for the processing facility.
10. The HVAC system for the structure containing the processing facility shall be equipped and maintained with activated carbon filters or similar device to ensure noxious odors are fully mitigated.
11. Industrial hemp waste shall be stored and disposed of in accordance with ODA and DEQ regulations and there shall be no burning of industrial hemp waste products on the premises.

12. Marijuana waste shall be stored and disposed of in accordance with OLCC and DEQ regulations and there shall be no burning of marijuana waste products on the premises.

13. This approval is for the processing of industrial hemp to produce CBD extracts and recreational marijuana to produce THC extracts, as stated in the application. Any change to the products created will require another site design review application. Other crops shall not be processed in this facility unless another site design review application is approved.

14. Prior to use of the processing facility, the applicant will provide to the Planning Director a copy of a water right permit, certificate, or other water utilization from the Oregon Water Resource Department; or a statement that water is supplied from a public or private water provider, along with name, contact information, and a copy of the service contract of the water provider.

15. Approval of the industrial hemp and recreational processing facility is personal to the applicant, OreTex Farms, LLC, JCB Farms, LLC, WAG Holdings LLC, and Christopher Bryan, and may not be transferred to another party.

16. Prior to operation of the processing facility, the applicant shall build a masonry wall, to the roofline, to partially enclose the HVAC units located on the north side of the northernmost existing building, positioned to attenuate the sound of the units at the dwelling located just north of the property line.

17. The use of outdoor amplified music or sound is not permitted.

18. Prior to operation of the processing facility, the applicant shall clear vegetation from the southeast corner of the applicant's parcel and/or public right-of-way, at the junction of NE Jaquith Road and NE Mountain Top Road, in accordance with the clear-vision standards provided in subsection 402.09(F) of the *Yamhill County Zoning Ordinance*. In this manner, the applicant shall ensure that sightlines are improved in accordance with the standards both at the applicant's driveway accessing NE Jaquith Road, as well as at the junction of NE Jaquith Road and NE Mountain Top Road, located at the southeast corner of the applicant's parcel. Work in the right-of-way shall be in accordance with Public Works permit requirements. Clearing of vegetation on any neighboring property is not required, but if any such clearing is performed, it may only be done with such property owner's consent. Sight distances shall be maintained as required by this condition for as long as the processing facility is operating.

19. Modification of any of the above conditions requires approval under Section 1101.02 of the *Yamhill County Zoning Ordinance*. Violation of any of the above conditions may result in revocation of the site design review permit with the process detailed in Sections 1101.06 and 1101.07 of the *Yamhill County Zoning Ordinance*.

\*END