



# Staff Report

Agenda Item No. D-1

**To:** City of Imperial Planning Commission

**From:** Lisa Tylanda, Planner

**Date:** March 13, 2019

**Subject:** Conditional Use Permit– Manufacturing of Cannabinoid Oil from Hemp Biomass within I-1 General Industrial Zones located at 520 W. Aten Road; Imperial, CA 92251

**Surrounding Land Use:**

Location Site	General Plan Designation	Zone District	Land Use
North	Industrial	I-1 (General Industrial)	Medical Offices
South	Residential	R-1 & R-A(Residential)	Residential
East	Industrial	I-1 (General Industrial)	Offices/Vacant Lots
West	Industrial	I-1 (General Industrial)	Distributor

**Background**



As of December 20, 2018 the Hemp Farming Act of 2018 became law. Within this act, Hemp was removed from the “Schedule I Controlled Substances” list and was re-categorized as an ordinary agricultural commodity and its provisions have been incorporated into the 2018 United States Farm Bill. Badlands Provisions has applied to allow the use of a “Hemp Biomass Extraction facility” located at 520 Aten Road; Imperial, CA. The property is located in an I-1(General Industrial Zone).

The cannabinoid extraction process will consist of a cyro-ethanol loop extraction method, which is a method of Chromatography that involves subzero temperatures which result in food grade product materials

**The following findings must be made for the granting of a Conditional Use Permit:**

1. That the proposed location, size, design, and operating characteristics of the proposed use is in accord with the Title and Purpose of this Ordinance, the Purpose of the zone in which the site is located, the Imperial General Plan, and the development policies and standard of the City.

*The parcel is located within an I-1 (General Industrial) zone. The proposed use is consistent with the zoning district if a Conditional Use Permit is obtained.*

2. That the location, size, design, and operating characteristics of the proposed use will be compatible with and will not adversely affect or be materially detrimental to adjacent uses, residents, buildings, structures, or natural resources with consideration given to those items listed in Section 24.19.340.B of the Imperial Zoning Ordinance.

*The proposed use is compatible and will not adversely affect the adjacent uses within the area.*

3. That the proposed location, size, design, and operating characteristics of the proposed 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.

*The proposed use will not be detrimental to the public health, safety or welfare or materially injurious to properties within the vicinity.*

4. That the proposed Conditional Use will comply with each of the applicable provisions of the Zoning Ordinance, except for an approved Variance.

*The proposed use will comply with each of the applicable provisions of the zoning ordinance and any described in the Conditions of Approval.*

**Environmental**

The proposed project is not subject to the California Environmental Quality Act.

**Staff Recommendations**

- Staff Recommends Planning Commission create conditions of approval for safety concerns to include some type of security system/surveillance devices and/or a type of 24 hour security system.
- Staff Recommends the Planning Commission conduct a Public Hearing to receive comments for and against the project. Unless sufficient evidence to the contrary is presented at the public hearing, Staff recommends approval of Resolution No. PC2019-07.

**Attachments**

- Business Plan
- Extraction Equipment Details

## **PROJECT DESCRIPTION**

Cryo Ethanol closed loop extraction is a method of drawing out essential cannabinoids by spraying Hemp Biomass (ground flower and trim) with subzero ethanol. After several re circulations over the material, Negative pressures transfer the resulting solution to a collection chamber where additional impurities Are removed by micron circulation. This super cold, low pressure means of extraction allows us to Process biomass into a clean desirable distillate product. After this a method of Chromatography is done To create an isolate material which results in a food grade product. These systems because of the closed Loop design make it possible to prevent any solvent or flammable vapor ever exiting the system or Venting into the extraction room where the system operates.

Once the Hemp Biomass extraction process is finished we will then begin to sell our products to both Wholesale and retail markets. The distillate products will be sold by the gram on retail side in specialized Packaged units and on the wholesale side it will be sold by Liter volume. Our Isolate products will be sold Into the Edibles market on wholesale side and eventually towards Pharmaceutical markets.

***BADLANDS PROVISIONS***  
***CBD EXTRACTION FACILITY***

***BUSINESS PLAN***

JOHN AND ANDREW CURRIER, OWNERS

BRAWLEY, CA 92227

# ***COMPANY DESCRIPTION***

## ***MISSION STATEMENT***

To Manufacturer high quality CBD products for 4 categories Pain, Lifestyle, Health and Pets.

## ***PRINCIPAL MEMBERS***

Andrew Currier – President and Grower

John Currier – Vice President and Director of Operations

## ***Legal Structure***

Badlands Provisions co is C Corporation located in Brawley, CA

# ***EXECUTIVE SUMMARY***

## ***PRODUCT***

Badlands Provisions will be manufacturing CBD products grown from Industrial Hemp.

We will be producing CBD products derived from a Cyro Ethanol extraction method. Our

Products will be both in the distillate and Isolate forms developed for 4 specific categories, Pain, Health, Lifestyle, and Pets.

## ***CUSTOMERS***

Our customers will be both wholesale and retail outlets that want to sell CBD products in their Stores and Online. We will also sell our own retail products thru a subsidiary of Badlands Provisions called Cares CBD.

## ***Method***

Cyro Ethanol closed loop extraction is a method of drawing out essential cannabinoids by spraying Hemp biomass (ground flower and trim) with subzero ethanol. After several re circulations over the Material, negative pressures transfer the resulting solution to a collection chamber where additional Impurities are removed by micron circulation. This super cold, low pressure means of extraction allows Us to process biomass into a clean desirable distillate product. After this a method of Chromatography is Done to create an isolate material which results in a food grade product. These systems because of the Closed loop design make it to possible to prevent any solvent or flammable vapor ever exiting the System or venting into the extraction room where the system operates.

## ***GROWTH STRATEGY***

To grow the company over a 5 year plan to scale up at a 20% growth rate.

We are looking to install 1 new Cyro Rotary extraction vessel per year for 5 years. This will allow Us to Increase our daily output 20% annually to hit our goal of processing up to 4000lbs daily.

# ***MARKET RESEARCH***

## ***INDUSTRY***

Badlands Provisions will be a part of the New Emerging CBD Industry. Projections Show this Industry is growing from currently 700 million per year to 22 Billion by 2022. This forecast even shows it out growing the Cannabis Industry by 2022. We see No slowdown in the Industry as medical benefits grow like the new seizure medicine Epidiolex from GW Pharmaceuticals has shown miraculous benefits in patients. The latest Market research shows the fastest growing demographic is the 60 year and older generation.

## ***REGULATIONS***

Badlands Provisions must meet all City, County and State regulations concerning the Manufacturing of Hemp CBD Products. As the State finalizes their Bill SB 1409 and Federal law Legalizes Industrial Hemp thru the passage of the Farm Bill we await any new unforeseen Regulations not known at this point.

## ***MARKETING***

Our Marketing Strategy is to increase sales annually of both wholesale and retail products By aggressively advertising our Brand, Cares CBD. This will be accomplished by our team of Marketing specialists engaged in Search engine optimization and networking with retail outlets Across the country and internationally.



# DEUTSCHE PROCESS

## MECHANICAL EXTRACTION UNIT

*TAKE YOUR PROCESS TO THE NEXT LEVEL*

- Batch Style Ethanol Extraction Reactor - 175lbs
- Solvent Recovery Included - Kettle Surface Scraper
- Consulting and Engineering Service
- Desolventizing Drying Screw
- SIEMENS Control Panel
- Decanter Centrifuge
- Clean-In-Place (CIP)
- Custom Platform
- Modular Design
- C1D1



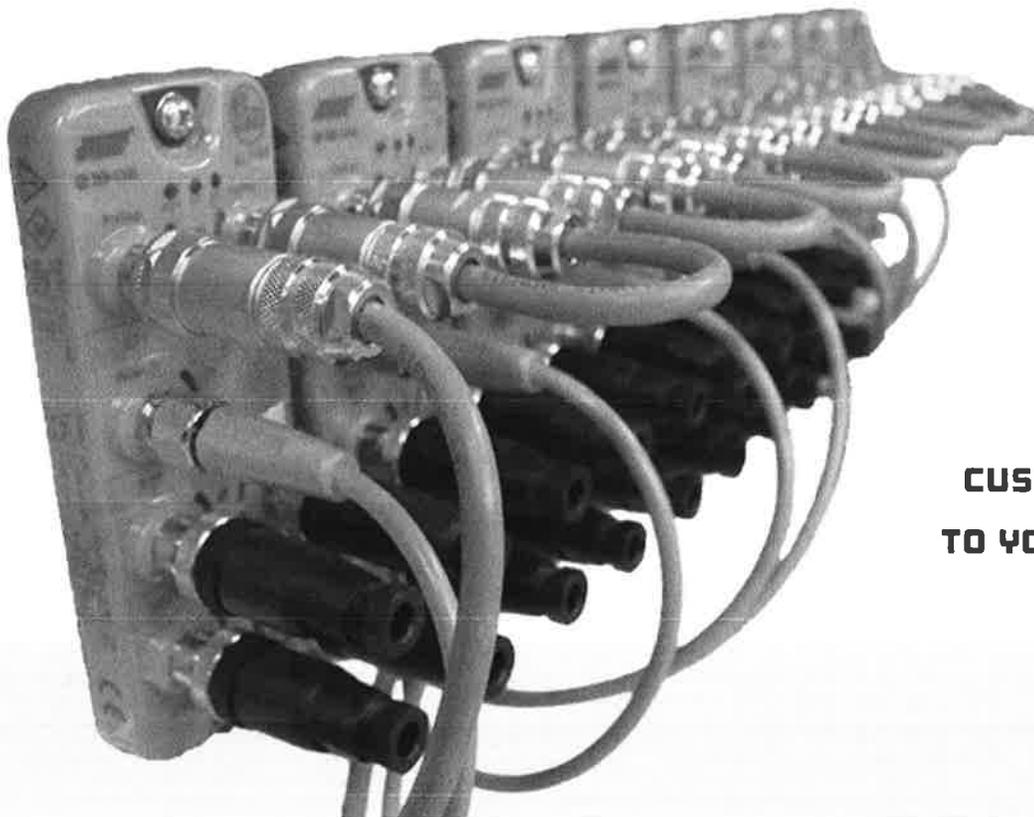


**DEUTSCHE  
PROCESS**

## Controls

*CUSTOM ASSEMBLED AND PROGRAMMED IN CHARLOTTE, NC*

- ◆ Lower your labor requirements and improve consistency with automation
- ◆ Adjustable speed control on all motors by VFD drives
- ◆ Analog and fully automated systems available
- ◆ Remotely control and monitor your process
- ◆ Siemens hardware and components
- ◆ IFM Efector sensors and probes



**CUSTOM DESIGNED  
TO YOUR APPLICATION**

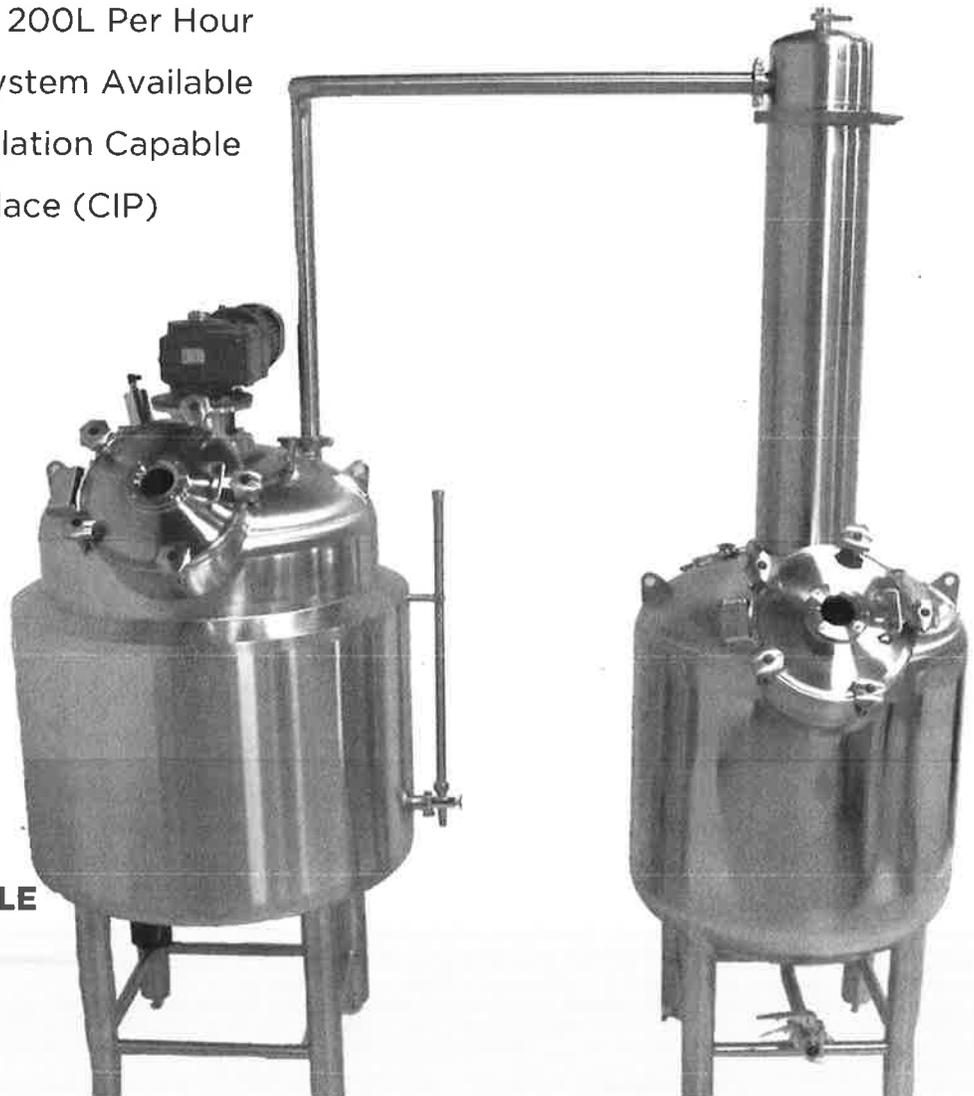


**DEUTSCHE  
PROCESS**

## Solvent Recovery

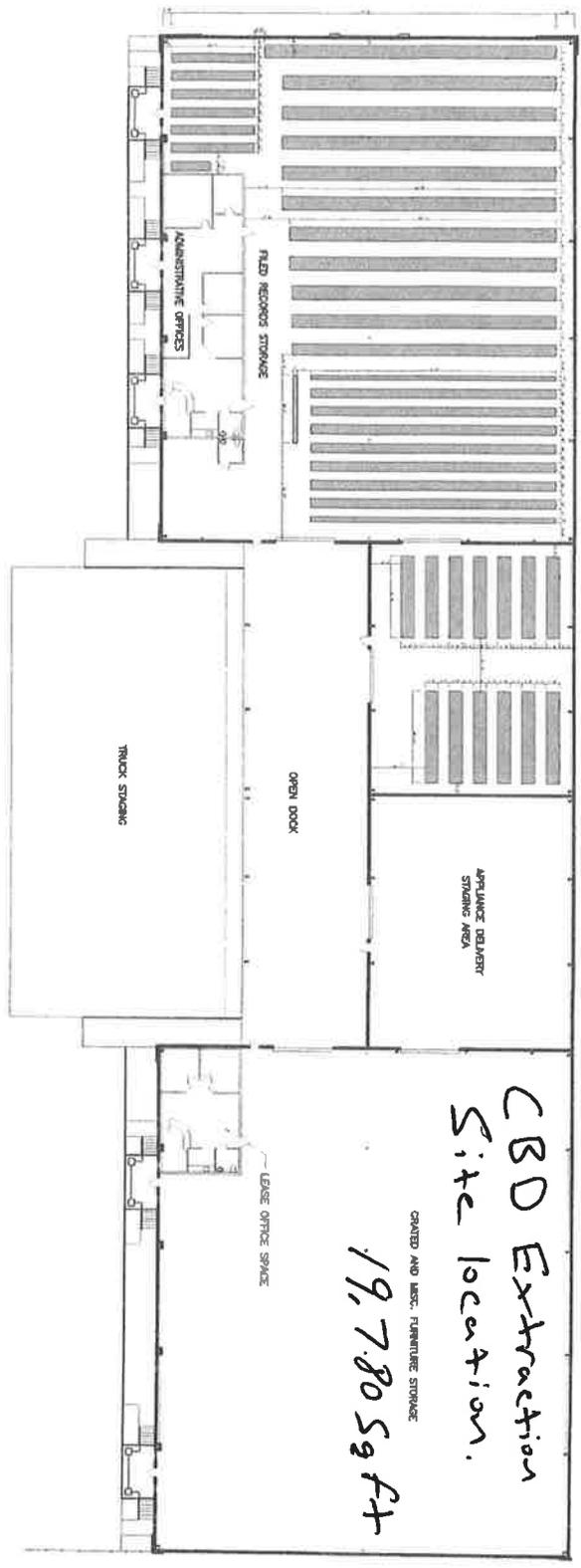
*TAKE YOUR PROCESS TO THE NEXT LEVEL*

- Rising Film, Wiped Film, & Rotary Evap Available
- Siemens PLC Automation Controlled
- Starting at 200L Per Hour
- Turnkey System Available
- Decarboxylation Capable
- Clean-In-Place (CIP)



**CUSTOM SIZES AVAILABLE**

520 Aten rd Imperial



**FLOOR PLAN**

W  
E  
S  
T  
N  
E



REVISIONS BY	NO.	OWNER: ADDRESS: PHONE NO.	SHEET CONTENTS <b>FLOOR PLAN</b>	DATE: JANUARY 2011 SCALE: AS SHOWN DRAWN BY: [Name] CHECKED BY: [Name] PROJECT NO.: [Number] SHEET NO.: 1
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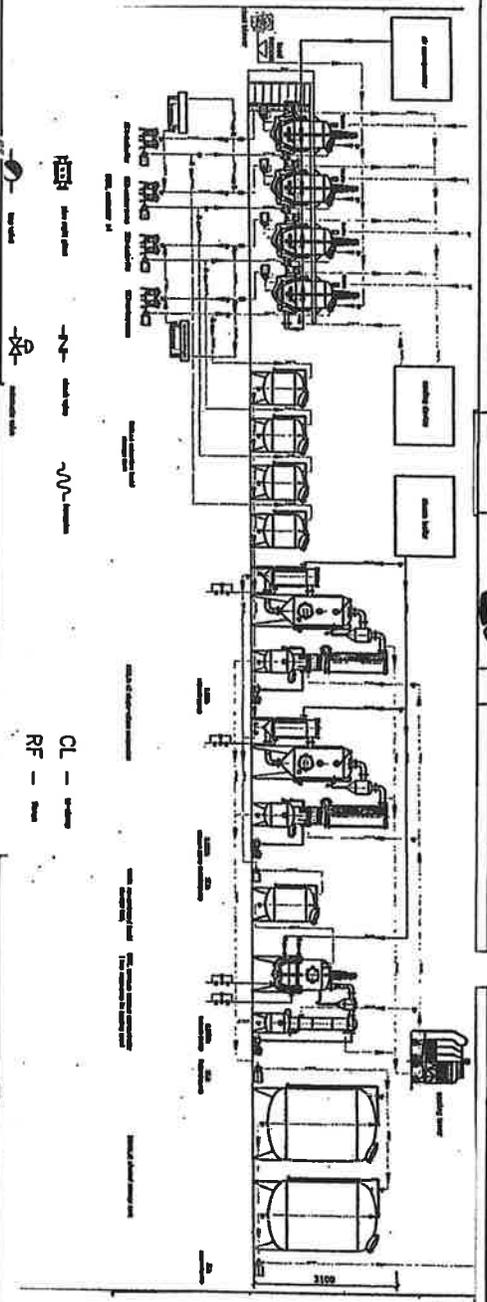
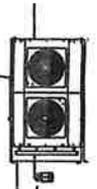
**PIONEER VNS, INC.**  
**520 W. ATEN RD.**  
**IMPERIAL, CALIFORNIA**

Fire Extinguishers

600 Gallon Ethanol Storage

W  
N+S  
E

Fire Extinguishers



CL - Cabinet  
RF - Refrigerator

Fire Extinguisher

Office