## MURRAY BOARD OF ZONING ADJUSTMENTS REGULAR MEETING WEDNESDAY, JULY 21, 2021 4:30 P.M.

The Murray Board of Zoning Adjustments met in regular session on Wednesday, July 21, 2021 at 4:30 p.m. from City Hall at 500 Main Street.

Board Members Present: Mike Faihst, Bobbie Weatherly, Jim Foster, John Krieb,

Paula Hulick, and Carmen Garland

Board Members Absent: Josh Vernon

Also Present: Kim Miles, Attorney David Perlow, Zach Warren, Dannetta Clayton, Marisa Stewart, Mark & Eric O'Conner, Andrew Dunn, Jacob Mathis, Gregory Wilson and wife, Mary Anne Medlock, Michael Ruccio, Tony Brandon, Danny Hudspeth and public audience

Chairman Faihst called the meeting to order and welcomed all guests and applicants. Kim Miles called the roll. At this time Chairman Faihst called for a motion to approve the minutes from the regular BZA meeting on June 16, 2021.

Bobbie Weatherly made a motion to approve the minutes from the regular BZA meeting on June 16, 2021 as corrected. Paula Hulick seconded the motion and the motion carried unanimously.

Public Hearing: Request to have three unrelated persons occupy the property located at 821 North 19th Street: Marisa Stewart presented the staff reports. She reviewed the ordinance section pertaining to this request. Mark O'Connor (applicant) and Eric O'Connor are the owners of this property. Mark is requesting a Conditional Use Permit to allow three non-related persons to occupy the premises located at 1703 Farmer Avenue. The property is zoned R-2 (single family residential). All three occupants will be college students (one is Eric O'Conner). They have been working on upgrades to the house by adding new flooring and an additional bathroom which will make it a three-bedroom, two-bathroom house. There is enough off-street parking to accommodate four or five vehicles. Eric has one more year of school. When he finishes school, the plan is for him to move out and to continue renting the house to college students. Pictures were shown of the property.

Chairman Faihst opened the public hearing and asked if there was anyone that wished to speak in favor or opposition to the request.

Mark O'Conner came forward and was sworn in. He stated that the property was purchased in May of this year. They are currently investing a lot of money into the property in order to fix it up. They have widened the drive-way; have added a bathroom; and repainted the house. Eric and the two roommates that he would like to have living with him this year were present. Mark attested that these are good boys that would respect the neighbors and take care of the property. There are five smoke alarms in the house and they will be in working condition when the boys move in.

Andrew Dunn came forward and was sworn in. Mr. Dunn wanted to speak on behalf of the people making the request. He said that they had lived next to him on Olive the previous year and that they were very respectable people.

Jacob Mathis came forward and was sworn in. Mr. Mathis lives on North 17<sup>th</sup> Street and his property backs up to the back of the subject property. He has concerns that allowing this request could lead to dimensional variances with additional apartments in the neighborhood. He said that there are other vacant houses in the near vicinity. Mr. Mathis has a 12-year old daughter and will soon have a foster child. He prefers that the property stay single family. Chairman Faihst clarified that the request was not to rezone the property but to grant a Conditional Use for multi-family use for a specified period of time. This did not change Mr. Mathis's mind. He said that not knowing who would live there in the future was the issue.

Chairman Faihst closed the public hearing and turned the item over to the board members for further discussion and a motion. There was additional discussion and concern about properties near MSU becoming rental and being used as multi-family in the future. The question of rezoning the entire area has been brought up from time-to-time. The value of properties declining and the degrading of the neighborhood were also issues.

John Krieb made a motion to approve the Conditional Use Permit request for Mark O'Connor to allow his son and two other non-related persons to occupy the premises located at 1703 Farmer Avenue. Conditions for this approval would be that the permit expires upon the graduation of the son of Mark O'Conner and at that time it will revert back to R-2 (single family) to be owned by or rented to a single family. In addition to that other conditions will be: no parking in the grass, no parking in the street, and no loud noises or partying after 10 or 10:30 at night. The grounds at this time look very well and they should be maintained to the current condition. The testimony presented in this public hearing has shown based on the findings: it does not adversely affect public health, safety, or welfare; will not alter the essential character of the general vicinity; will not cause a hazard or nuisance to the public; and will not allow unreasonable circumvention of the requirements of the zoning ordinance. Jim Foster seconded the motion and the motion carried with a 6-0 roll call vote.

Public Hearing: Request to determine whether assembling, sizing and packaging of hemp wood products fall under the light or basic industrial use located at 201 Poplar Street:

Dannetta Clayton presented the staff reports. The property is located in an Industrial zone. Light industry is allowed in an Industrial zone and basic industry is only allowed as a conditional use. Adjacent properties are zoned B-3 (Central Business) to the north and east, Industrial to the northeast and west, R-5 (Residential) to the southeast and Government to the south. The applicant (Fibonacci, LLC/Greg Wilson) is proposing to assemble, store, size, package and then ship hemp wood flooring from the warehouse located at 201 Poplar Street. Staff is requesting an interpretation as to whether the proposed industrial use falls within the definition of light industry or basic industry. Dannetta reviewed the definitions of light and basic industry. The applicant has indicated that this process will not produce any odor. There are three buildings located on this property. The applicant will be leasing the southwest building that fronts Elm Street. The applicant has made this building fire code compliant, purchased quieter equipment for dust collection, and has acoustical material for the windows for sound reduction. The hemp

that is being stored there by the previous tenant is in the process of being removed. On July 12<sup>th</sup>, 2021, one-third (1/3) of the hemp had been removed from the building. The City Fire Marshal (Greg Molinar) was in the facility on July 21<sup>st</sup> and he has indicated that the majority of the hemp had been moved.

Attorney David Perlow informed the board that they were to be giving an interpretation upon the information that is given in the meeting as to whether the proposed industrial use falls within the definition of light industry or basic industry. He suggested that they take good notes on why they believe one way or another because the notes will be subject to scrutiny later.

Chairman Faihst opened the public hearing and asked the applicant to come forward.

Gregory Wilson came forward and was sworn in. He explained that they currently have a factory that employs 21 people on Rockwood Road. They are the only hemp wood manufacturer in the world and the only hemp processing facility in Calloway County. This product was invented under the care of Dr. Tim Grain at Murray State University. This included a few years of working on the school farm to be able to learn how to turn hemp into wood. They have patents, trademarks and OSHA standards on the product. They have been in business for three years and feel they are on the way to becoming successful. Mr. Wilson (an engineer) and his wife came to Murray from China where he worked in bamboo manufacturing. The Murray community has been very cooperative and helpful with the start-up of this business. MSU professors have been watching over their company and guiding them for the past couple of years by trying to teach them ergonomics, dust collection and noise control. They have learned proper processes, procedures, controls and safety requirements. The facility that is located in the county is on Swift Farms and Robert Swift sits on their Board of Directors. Mr. Wilson introduced several people that came to the meeting with him and told their positions. He indicated that he had visited some of the neighbors at the site of the proposed facility at 201 Poplar to let them know that they are trying to be good neighbors. He explained that the heavy manufacturing is done in the county. The purpose of this application is to determine exactly what processes can be done at this location. This is the only viable building that they have been able to find in a two-year search. They have occupied this building for 2.5 months and have been actually storing their over-flow there. The intent is to take the finished product at the county location, move it to Poplar street, package it and turn it into the format that the customer needs. They do not finish any of their flooring; it is sent to a coating company in North Carolina for staining and coating. Mr. Wilson passed around a kit that they send out to architects and designers for the board members to view. He explained the manufacturing process. Sanding, cutting, gluing and packaging are the procedures that are done at this location. Their standard work hours are 7-5 Monday thru Friday. The finished product is used for cabinets and flooring. Mr. Wilson explained that they had gone above and beyond to keep the dust and noise down at this facility because they were aware of the previous problems/issues of the former tenant. Dust collection systems have been acquired that are over two times what is needed and are actually quieter than OSHA standards. The dust is quite valuable as it is used in making hemp plastic; therefore, they do not want it flying around. MSU has research programs where an additive can be used into plastics with their sawdust along with a bio-filler which creates hemp plastic. The pickups are set up for one truck at the end of the day between 3 and 5 o'clock. There are limited amounts of material that come into the facility. Mr. Wilson revealed that the majority of the hemp was Kentucky grown. The different types of machines that will be in the

facility were described. They are less noisy than the dust collector. Mr. Wilson said that the noise decimal level for the dust collector is 65. There will be five people working in the facility; however, they would like to eventually have ten more in order to run a second shift. Approximately 800 square feet of flooring can be put on a pallet.

Attorney Perlow then asked the following questions:

- Are they going to be storing any extracted or raw materials?
- Are they going to be storing any flammable materials?
- Is there a plan for storing any poultry or livestock at this location?
- Is there anything that will be stored that could be considered hazardous?
- Was the wood manufactured at another facility?
- How would you classify the wood product when it arrives at this facility?

Mr. Wilson answered that they will not be storing any raw or extracted materials. He had a letter from the KY Department of Agriculture saying that everything that they do in the facility falls outside of the hemp program because they have no items that are ingested into the body. They have a report from the Fire Department and the only thing that is flammable is the glue. There are no explosive materials on-site and there are sprinklers in the building. There will be no poultry or livestock stored at this location. There is nothing that he would consider hazardous to be stored at this site. The wood was manufactured at another facility and that finished product will be brought to this facility. They are taking a premanufactured product and turning it into a semi-finished good for shipment. Mr. Wilson has a one-year lease on the building with a renewal option at the end of that year. Parking is available in the front and back of the building.

Chairman Faihst asked if there was anyone that wished to speak in favor or opposition.

Mary Anne Medlock came forward and was sworn in. Ms. Medlock stated that she works for the West Kentucky Workforce Board and she is the business service liaison for this Purchase Region. She works with manufacturers like Greg every day. For the last 20 years she has learned a lot about manufacturing and she feels that she can answer any questions that the board members may have. Through programs at the West Kentucky Workforce they have funds available to help with training for these types of facilities. She spoke about the funds acquired through the Department of Labor that they are planning on using to help train for the type of work that they do and the type of skills that are needed. At the Riverwood location they are actually manufacturing and doing all the processes that are included in production; however, at the Poplar Street location they are simply packaging and tending machines for filling orders and shipping. They are processing the product that they are providing. By this description they are justifying the cost of spending Federal dollars for light industry. They are also looking at hiring a lot of the local neighbors that might be looking for work there. It is her professional opinion that it would be an excellent facility for the neighborhood.

Michael Ruccio came forward and was sworn in. Mr. Ruccio was previously a mailman and his route was in the vicinity of this facility. He said that his deceased best friend lived next door to this facility and that his wife still resides there. Greg has already visited this lady. Mr. Ruccio said that his point for speaking on their behalf is to clarify that they are motivated by doing the

right thing. He said that the wood is beautiful. He carves it himself and feels that it is a precious commodity. They are going to great lengths to be a good neighbor and a quiet neighbor. He is aware of what happened at this location previously and he thinks it was a contributing factor to his friend dying early from a heart condition. It was previously noisy and people were parking all over the place. He indicated that it is not going to happen this time because of the character of Greg. He's a good guy with great ideas.

Tony Brandon came forward and was sworn in. He said that Greg had gone through hurdle after hurdle and he keeps coming back. Tony admires Greg for what he is trying to do. This product is fiber hemp. Murray State is the reason that the hemp is in this region. He has taken one of the products that Kentucky was founded upon (tobacco and hemp) and is reintroducing a crop here that could "add another tool to the toolbox for the farmers". It could also add job opportunities for our students and residents. He said that as society changes, we don't know what the future will bring for this product. They are looking at several vinyl plastics companies that are looking at this product's dust. Mr. Brandon said that he would like to support Greg in his endeavor.

Danny Hudspeth came forward and was sworn in. Danny spoke on behalf of his brother and sister that live a short distance from this facility. He has previously been before the board twice concerning the hemp storage in this facility about the odor it brought to the neighborhood. The neighbors do not want the facility to become a nuisance. Danny indicated that he was willing to take these guys at their word that there would be no odor. If there should be an odor, then he would have a reason to come back before the board. He stressed the importance of not doing things with this hemp process that you would not typically do in places where people live. Danny questioned if the windows and doors would be opened during the hot time of the year because that would affect the noise level. He concluded that if he was on the board, with the information that has been presented, he would probably pass this. He then wished them success.

Bobbie Weatherly said that Danny had been before the board on behalf of the neighborhood before as he had stated. She feels that this proposal is entirely different than what was formerly in this facility. The odor, noise level and traffic were all issues in the past and this applicant has been very transparent in giving information fully.

Mr. Wilson said that in order to make the product fit for all different uses (especially for flooring, tables or cabinetry), you have to adjoin it to a substrate since hemp wood is harder than any domestic hard wood and is impossible to nail through. In order to advertise it as "100 percent made in America", they had to find plywood that was made in the United States. 80 percent of the plywood that is used in the United States is not made in the United States. This company's plywood comes from West Virginia. Only about a third of the hemp that was originally in the building is still there as well as the odor. Mr. Wilson concluded that he had been told that there are three different people looking at the remainder of the hemp, so hopefully, that will all be moved out soon.

The public hearing was closed. There was discussion amongst the board members. Chairman Faihst called for a motion.

John Krieb made a motion to approve the proposed use as presented as light industry which is allowed as a permitted use in the Industrial Zoning District. The basis for that decision/recommendation is the description of the process by the owner of the business clearly indicating that it is not dealing with raw material or extraction of ingredients. It clearly fits the definition of light industry. There was supporting testimony from Murray State individuals and from Ms. Medlock which clarified the labor classification that clearly fits the light industry terminology as well. The various terms and definitions in basic industry category were discussed with the owner and he answered with a negative on all of those except for the flammable material (glue) and there is a very small quantity of that in the presence. Jim Foster seconded the motion and the motion carried with a 6-0 roll call vote.

Questions and comments: None. Chairman Faihst called for a motion to adjourn. Paula Hulick made a motion to adjourn. John Krieb seconded the motion. The meeting adjourned at 5:52 p.m.

Chairman, Mike Faihst

Recording Secretary, Reta Gray