AGENDA ITEM or FINAL CONTRACT REVIEW SUBMITTAL FORM

Agenda Item: Renewal of Marijuana Facility License for Cultivat

Action Requested: Board of County Commissioners' Signature

Parties to the Agreement:

Term Begins: **Term Ends:** **Grant Contract #:**

Summary:

MJ license renewal request
Pure Industries LLC represented by Sarah Wattles

Fiscal Impact:

Submitted by: Beth Baker **Submitter's Email Address:** bbaker@gunnisoncounty.org

Finance Review: ○ Required ◉ Not Required

Comments:

Reviewed by: Discharge Date:

County Attorney Review: ◉ Required ○ Not Required

Comments:
ok db 11/6/17

Reveiwed by: GUNCOUNTY1\dBaumgarten Discharge Date: 11/6/2017 Certificate of Insurance Required

Yes ○ No ◉

County Manager Review:

Comments:

Reveiwed by: GUNCOUNTY1\mbirnie Discharge Date: 11/6/2017

○ Consent Agenda ◉ Regular Agenda ○ Worksession Time Allotted: 1

Agenda Date: 11/7/2017

Revised April 2015

To: Gunnison County Board of County Commissioners/Gunnison County Marijuana Licensing Authority

From: Beth Baker

Date: October 16, 2017

Subject: Work Session for a Renewal Marijuana Facility License for Cultivation (MJ-14-00178)

Applicant: Pure Industries LLC, Represented by Sarah Wattles

Location: 398 Riverland Drive, Suite 1B,1C, 2C, Lot 9, in Riverland Industrial Park:

LINK to File: http://204.132.78.100/citizenaccess/ using link **click-** permits, **click-** application no., **use # mj-14-00178, click-** attachments, **click-** view

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1. PURPOSE:

The purpose of this work session is to review the Pure Industries LLC application, to renew a Marijuana Cultivation License. The Marijuana Cultivation Facility and renewal if approved, is located at 398 Riverland Drive, Suite 1B,1C, 2C, Lot 9 in Riverland Industrial Park.

The Gunnison County Marijuana Licensing Authority is the Board of County Commissioners (BOCC). A motion is requested to either approve, approve with conditions, or deny the renewal application.

The existing facility, given its location in Riverland Industrial Park (See Section 9-104 of the Land Use Resolution) was reviewed under an Administrative Review Land Use Change Permit Application. The Land Use Change was approved at the same time as the original license and will not need to be renewed.

Staff conducted a site visit, October 5, 2017. Staff was taken through the entire facility. There was no detectable odor outside of the facility. There were cameras in the entire facility, and are on 24 hours a day. The film is kept for forty days. Staff noted the need for a holding tank for marijuana wastewater and the applicant has now purchased a separate tank and has scheduled disposal dates.

2. PURPOSE AND STANDARDS

On July 1, 2014 the BOCC approved Resolution No. 2014-18 which authorized regulations for marijuana cultivation, manufacturing and testing facilities. The purpose of these regulations are to:

1. To authorize licensing of marijuana cultivation, manufacturing, and testing in unincorporated Gunnison County as provided in §§ 12-43.3-301(2)(a), 12-43.4-104(3) and 12-43.4-301, C.R.S., as amended;
2. To establish specific standards and procedures for local licensing of marijuana-related business and establishments; and
3. To protect the health, safety, and welfare of the residents, consumers and patients in Gunnison County by prescribing the manner in which marijuana businesses can be conducted in the County.

As per Article 5 – Standards of Resolution of **No. 2014-18** the Board must find the following to approve a license:

A. **LACK OF CRIMINAL HISTORY**: The applicant and principal employees of a marijuana facility have no history of criminal activity indicating moral turpitude. Applicants shall provide suitable evidence of a Persons' proof of lawful presence, residence, and good character and reputation that the Board may request. The applicant must also consent to a criminal background check of the applicant and its principal employees.

B. **HARMONIOUS LAND USE**: The use and any associated signage is not identifiable as a Marijuana Facility from adjacent property, nor any arterial road, public trail, or public park. The applicant must demonstrate to the Board's satisfaction that there is no measurable detrimental impact to adjacent property which cannot be mitigated, and the applicant has demonstrated to the Board that the facility will be harmonious with its surrounding uses.

C. **APPLICABLE PROPERTY OWNERS ASSOCIATION APPROVAL:** The applicant must provide written consent for the use from the Property Owners Association if an active association exists for the subject property.

D. **ODOR:** Odors from any marijuana facility shall not be detectable and noticeable at the boundary to adjacent properties. Facilities shall be equipped with proper ventilation systems so that odors are filtered and do not materially interfere with adjoining land uses.

E. **FIRE AND SECURITY EMERGENCY SERVICES:** Applicable Fire Districts and the Sheriff's Department will receive applications for their review and comment. Concerns related to public safety received from emergency services must be avoided or mitigated to the Authority's satisfaction.

F. **PUBLIC SERVICES**: The Applicant shall demonstrate that there are adequate public services to support the proposed use.

The Board may approve or approve with conditions a license that meets all of the standards in Article 5. The Board shall deny an application that does not comply with the licensing requirement in Article 5.

3. STAFF ANALYSIS OF CRITERIA AND PUBLIC INPUT RECEIVED

Staff referred this application to the Gunnison County Building and Environmental Health Official, Gunnison County Sheriff's Office, Gunnison County Public Works, and the Riverland Homeowners Association. Staff has not received any comments from referral agencies or the public that would generate any concern regarding the issuance of the renewal of the Marijuana Cultivation Facility License.

The following is staff analysis of compliance to the Standards in Article 5.

A. **LACK OF CRIMINAL HISTORY**: The applicant and principal employees of a marijuana facility have no history of criminal activity indicating moral turpitude. Applicants shall provide suitable evidence of a Persons' proof of lawful presence, residence, and good character and reputation that the Board may request. The applicant must also consent to a criminal background check of the applicant and its principal employees.

> **Staff Response:** Staff in the creation of the licensing requirements acknowledged we would utilize the background check process required by the State of Colorado and the State of Colorado Marijuana Enforcement Division (The Division). There was no criminal history revealed in the background check. In addition, as mentioned previously, this application was forwarded to the Sheriff's office for their review. Again no input was provided to raise any concern regarding this standard.

B. **HARMONIOUS LAND USE**: The use and any associated signage is not identifiable as a Marijuana Facility from adjacent property, nor any arterial road, public trail, or public park. The applicant must demonstrate to the Board's satisfaction that there is no measurable detrimental impact to adjacent property which cannot be mitigated, and the applicant has demonstrated to the Board that the facility will be harmonious with its surrounding uses.

> **Staff Response:** In Section 9-104 of the Land Use Resolution, the County specifically prescribed an administrative review process for Signal Peak Industrial Park, Gold Basin Industrial Park and Riverland Industrial Park. It was felt a marijuana facility would generally be consistent with the existing uses in those three Industrial Parks.
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> In reviewing this specific application, staff believes this proposal continues to be a harmonious land use with the recommended conditions stated below. The following image indicates the location of the existing business (see yellow circle).

Scale = 1:2400 Monday, September 29, 2014

C. **APPLICABLE PROPERTY OWNERS ASSOCIATION APPROVAL:** The applicant must provide written consent for the use from the Property Owners Association if an active association exists for the subject property.

Staff Response: The County has received written consent from the Riverland Property Owners Association, for the renewal of the license.

D. **ODOR:** Odors from any marijuana facility shall not be detectable and noticeable at the boundary to adjacent properties. Facilities shall be equipped with proper ventilation systems so that odors are filtered and do not materially interfere with adjoining land uses.

Staff Response: The Applicant has used activated carbon scrubbers to mitigate odor. This is the most common odor elimination measure used

in the industry. Staff has not received any complaints concerning the odor from this facility.

E. **FIRE AND SECURITY EMERGENCY SERVICES:** Applicable Fire Districts and the Sheriff's Department will receive applications for their review and comment. Concerns related to public safety received from emergency services must be avoided or mitigated to the Authority's satisfaction.

Staff Response: Staff has not been made aware of any concerns from the CBFPD, and in an email, dated October 5, 2017 from Sheriff Besecker he has stated he has no objection to the renewal of this license.

F. **PUBLIC SERVICES**: The Applicant shall demonstrate that there are adequate public services to support the proposed use.

Staff Response: This is an existing building and there are no utility limitations for this applicant and this location. Water is provided by a well.

Environmental Health Official Crystal Lambert, in an email dated September 29, 2017, stated the OWTS system shall receive only biodegradable wastes for treatment and distribution as are compatible with those biological treatment processes that occur within the septic tank. All other waste, including wastewater from the marijuana growing process, shall be delivered via a separate drain system to holding containers. A regular schedule of delivery to an approved wastewater treatment facility shall be required as part of the use permit.

Pure Industries has purchased a 275 gallon tank for the marijuana wastewater, and has set up a pick up schedule with Schmalz Construction to pick up and dispose of the wastewater.

4. RECOMMENDATIONS AND NEXT STEPS

Staff finds that the application meets Marijuana Facility License standards recommends approval of the license with the following recommended conditions:

1) After the renewal of the license is issued, periodic inspection of the facility by Gunnison County officials shall be allowed by the property owner and applicant with reasonable notice. There shall be no noticeable odors outside of the subject building detected by inspections. Failure to correct detectible odors outside of the building may result in revocation of the license.
2) As mentioned in Resolution of No. 2014-18 the applicant is consenting to inspections. Evidence from inspections or documented complaints regarding the facility in respect to the Standards in Resolution No. 2014-18 or in Section 9-104 of the Land Use Resolution or failure to comply with other applicable local or state regulations may result in enforcement action against the applicant including revocation of the license.

3) This license is approved conditioned upon received and maintaining all appropriate licenses with the Colorado Marijuana Licensing Authority. Failure to receive or maintain a valid applicable Colorado Marijuana License will result in the revocation of Gunnison County Marijuana Facility License.

The original Marijuana Cultivation License, for Pure Industries LLC was issued by the Board of County Commissioners, on November 12, 2014, expiring on November 12, 2017. Staff has received no complaints from any law enforcement agencies, CBFPD, the Riverland Property Owner's Association, or any individual since the issuance of the permit. The operation of the facility, and the ownership of the facility has not changed since the issuance of the license.