AGENDA ITEM or FINAL CONTRACT REVIEW SUBMITTAL FORM

Agenda Item: Renewal of Marijuana Facility License for Manufact

Action Requested: Board of County Commissioners' Signature

Parties to the Agreement:

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

Summary:

Pure Industries LLC applied to renew their license

Fiscal Impact:

Submitted by: Beth Baker **Submitter's Email Address:** bakerbeth3@gmail.com

Finance Review: ○ Required ◉ Not Required

Comments:

Reviewed by: Discharge Date:

County Attorney Review: ◉ Required ○ Not Required

Comments:

Reveiwed by: GUNCOUNTY1\mhoyt Discharge Date: 5/29/2018 Certificate of Insurance Required

Yes ○ No ◉

County Manager Review:

Comments:

Reveiwed by: GUNCOUNTY1\mbirnie Discharge Date: 5/31/2018

○ Consent Agenda ◉ Regular Agenda ○ Worksession Time Allotted: 5

Agenda Date: 6/5/2018

Revised April 2015

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

From: Beth Baker

Date: May 14, 2018

Subject: Work Session for a Renewal Marijuana Facility License for Manufacturing (MJ-15-00011)

Applicant: Pure Industries LLC, Represented by Sarah Wattles

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

LINK to File: http://204.132.78.100/citizenaccess/ using link **click-** permits, **click-** application no., **use # mj-15-00011, 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 Manufacturing License. The Marijuana Manufacturing Facility and renewal if approved, is located at 398 Riverland Drive, Suite1C, 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.

The County Sheriff conducted a site visit, May 8, 2018. The Sheriff 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.

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 Sheriff's Office, and Crested Butte Fire Protection District. Staff has not received any negative comments from referral agencies or the public from the date of the original license, June 15, 2015 through the date of this application 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.
>
> 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 May 8, 2018 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 June 16, 2015, expiring on June 16, 2018. 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 manufacturing facility, and the ownership of the building has not changed since the issuance of the license.

COUNTY OF GUNNISON

Community Development Department

Marijuana License- Conditional License

A Marijuana Facility License for cultivation was approved by the Gunnison County Marijuana Licensing Authority with conditions
On **June 5, 2018** for
Pure Industries LLC
Located At:
398 Riverland Dr., Suite C, Crested Butte, Co. 81224

Effective Date of License: June 15, 2018
License Valid Through: June 15, 2021

This license is conditioned upon the following:

1) There shall be no noticeable odor which results from the Marijuana Facility detectable outside of the subject building at the property boundary.
2) As of the date of this license, the use, possession, distribution, and sale of marijuana is illegal under Federal law and those who engage in such activities do so at their own risk of criminal prosecution and a Federal action may result in the revocation of this license.
3) As mentioned in Resolution 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 *Gunnison County Land Use Resolution* or failure to comply with other applicable local or state regulations may result in the revocation of the Gunnison County Marijuana Facility License.
4) The license is approved conditioned upon receiving 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 the Gunnison County Marijuana Facility License.

This license is issued subject to Gunnison County Board of County Commissioners Resolution No: 2014-19, "A Resolution Creating Licensing Regulations for Marijuana Cultivation, Manufacturing, and Testing Facilities. Resolution No. 2014-19 was adopted as allowed by the State of Colorado as provided by: article 43.3 of title 12, C.R.S. (the "CMMC) and 1 CCR 212-1, Series 100 through 1400, Medical Marijuana Rules ("the MMR"); and Article 43.4 of Title 12, C.R.S. (the "CRMC) and 1 CCR 212-2, Series 100 through 1400, Retail Marijuana Rules ("the RMR").

This conditional license is only valid through the expiration date shown. Any questions concerning this conditional license should be addressed to: Gunnison County Community Development Department, 221 N. Wisconsin #D, Gunnison, Co. 81230.

Authorized By:

_____ _____

Phil Chamberland Date

Chair of Gunnison County Marijuana Licensing Authority

I accept and will comply with all conditions of this Conditional License, and waive any and all objections to each condition of this License.

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License Holder/Owner of Business