

MINUTES
RIDGWAY AREA JOINT PLANNING BOARD
REGULAR MEETING & WORKSHOP

May 25, 2016 3:00 – 4:30 p.m. (appx)

Meeting held at the Land Use/Road & Bridge Offices, Conference Room
111 Mall Road, Ridgway, Colorado

Attending:

RJAB: Jackman, Williams, Miller, Orgren, Fitzhugh, Weaver
Staff: Castrodale, Sampson, Whitmore
Absent: Peters, Parker, Baskfield, Carr

I. Call to Order – Regular Meeting of the Ridgway Area Joint Planning Board (3:02 P.M.)

Craig Jackman – acting Chairperson

Public Hearing: The purpose of the hearing is to review and make a recommendation to the Board of County Commissioners regarding a Special Use Permit application, made by Dalwhinnie Farms, LLC, to operate a Home Business at 6154 County Road 23. The purpose of the business is to operate a marijuana manufacturing/production (extraction) facility.

Staff Introduction Presentation: (Bryan Sampson)

- Background on ordinance that allows marijuana facilities in the County.
- Gave location, size, and zoning of property.
- Discussed Process:
 - o 2 licenses/permits required – SUP, MJ Production
- Reviewed vicinity map.
- Facility will be completely within the existing arena.
- Appx. 2200 sf portion of building to be used.
- Reviewed proposed layout and floor plan.
- Discussed specific criteria for Special Use Permit:
 - o Odor
 - Facility will have carbon scrubbers.
 - Staff addressing via condition – facility cannot be a nuisance
 - o Impacts on Infrastructure
 - Only 2 employees
 - But there is an existing commercial equestrian special use permit
 - Staff recommending condition that Applicant must work with the R&B Department to implement mitigation plan.
- Staff then addressed the specific recommendation and conditions:

It is the determination of Staff that this application, by Dalwhinnie Farms, LLC, for a Home Business, to operate a Retail Marijuana Products Manufacturing Facility, has met the requirements and standards set forth in Section 5 of the Ouray County Land Use Code. Therefore, Staff is recommending that the Ridgway Area Joint Planning Board

recommend approval to the Board of County Commissioners, with the following conditions:

- (1) If road conditions degrade as a result of this land use, or the cumulative effects of all land uses on the property, the Applicant shall consult with the Ouray County Road and Bridge Superintendent and County Administrator to develop a mitigation plan. Such mitigation plan may include payment of impact fees by the Applicant.
- (2) The property shall, at all times, be properly maintained.
- (3) Applicant shall at all times maintain full compliance with all regulations and requirements including the State of Colorado Retail Marijuana Code, C.R.S. 12-43.1-101, et seq., Ouray County Ordinance 1992-01, 1995-01, 2014-003 and/or 2015-004 as maybe amended or superseded, and the Ouray County Land Use Code (including but not limited to Sign Regulations, Outdoor Lighting Regulations, and Visual Impact Regulations).
- (4) Applicant shall copy the Ouray County Land Use Department on any correspondence with the State of Colorado – Marijuana Enforcement Division.
- (5) Applicant shall provide the Land Use Department with a copy of the State license(s), or other approval issued by the State, within 7-days of issuance.
- (6) Only those members listed on Exhibit A to the Dalwhinnie Farms, LLC Operating Agreement as of February 26, 2016 may have an ownership interest in Dalwhinnie Farms, LLC without further approval by the Ouray County Local Licensing Authority. Changes in membership, including the addition of anyone holding a financial interest as a lender, Permitted Economic Interest, or other potential ownership interest, must be approved as a transfer of ownership.
- (7) The property shall, at all times, be properly maintained.
- (8) At no time shall the facility (cultivation and/or extraction) operate in a manner that causes a nuisance.
- (9) If a complaint (investigated and validated by Staff) is received regarding objectionable odors from the facility, the Applicant agrees to institute any mitigation methods that are required to eliminate objectionable odors emanating beyond the boundaries of the property.
- (10) If road conditions degrade as a result of this land use, or the cumulative effects of all land uses on the property, the Applicant shall consult with the Ouray County Road and Bridge Superintendent and County Administrator to develop a mitigation plan. Such mitigation plan may include payment of impact fees by the Applicant.
(Note: this condition is a duplicate to #1)
- (11) The Applicant agrees to comply with all requirements as set forth by the Road and Bridge Department for access, driveway specifications, and any road impact mitigation measures that may be required as a result of the facility.
- (12) There shall be no signage other than an EMS style address.
- (13) Dalwhinnie Farms, LLC shall apply to the Land Use department for any necessary building permits to construct the marijuana facilities described in the application.

- (14) The Applicant shall maintain compliance to the security measures required by the State of Colorado and Ouray County Ordinance 2015-004, as may be amended or superseded.
- (15) All interior lighting associated with the facility shall be completely screened and outdoor lighting must comply with the Outdoor Lighting Regulations of Ouray County.
- (16) The Applicant shall receive approval for a Marijuana Products Manufacturing License, from the County and State of Colorado, prior to commencing this proposed use.

Applicant Presentation/Comments:

- Travis Howard/Reed Porter
- Travis is a licensed attorney. In MJ business since 2010.
- Gave some personal and professional background.
- Have operated multiple MJ licenses in Colorado.
- Have consulted and designed on MJ facilities all over the United States and Hawaii.
- Work with TOSS Security.
- Facility has:
 - o CO2 extraction and warm/cold press to extract oils.
 - o No flammable gasses.
 - o Refinement room. Separation of various MJ elements/CBD's.
 - o Storage – walk in freezer with charcoal filters.
 - o Restrooms, locker rooms, break room, office, security.
 - o Dried goods – no scent or capsulized.
 - o Product Vault
- Owners are aware of the status of the property.
- Will not change the physical characteristics of the building.
- Know this is a landmark building.

Questions from JAB for Staff or Applicant:

- Rod: Who runs the business?
- Applicant: Travis and Reed.
- Rod: Do the owners live on the property?
- Applicant: Not at this time. There is a caretaker on site 24x7.
- Rod: How does operation fall within the requirements of Section 20.3A(1)
- Staff: Home Business is a broad scope definition. Any one that wants to operate one of these businesses must come in as a "Home Business".
- Craig: Is there an apartment in the building?
- Applicant: Yes, but not currently leased.
- Applicant: Can address the ownership if necessary. Right now just leasing arena.
- Rod: Code language seems to contradict what's being proposed. Doesn't fit.
- Weaver: You are extracting oils just for medicinal purposes, not recreational.
- Applicant: Not specifically limited to medicinal. Not traditionally recreational use.
- Applicant: Not all products are turned into oil. There will be physical cannabis flowers produced and sold.
- Sheelagh: What about the requirements from Section 20 – Home Businesses? (20.3A1)
- Sheelagh: Is the owner also an operator?
- Applicant: Owner would have to have a "key badge".
- Sheelagh: Sewage disposal via OWTS – is this in place?
- Applicant: Working on this now with an engineer. Will be a new/modified system.

- Sheelagh: Would we want to make completion of the OWTS a condition?
- Staff: Yes. Sure System would have to be engineered.
- Applicant: Basic sewage disposal is in place. Need a revised system for the MJ business.
- Sheelagh: What about current SUP for commercial equestrian? Applicant says is not being used. Don't SUP permits expire?
- Staff: Not the old ones. The new SUP will have a renewal period.
- April: Is this not really a small home business? Is this what the Code intended?
 - o Will discuss later.
- Craig: What exactly is being leased?
- Applicant: Building, use, access, storage, work.
- Craig: Are you using main access?
- Applicant: That's the current plan.
- Craig: How are you planning on managing contaminates?
- Applicant: Those are mold, mildew, pollen, spores, etc... Building is environmentally controlled. Using only 100% organically certified and approved pesticides?
- Craig: Where and how will you test the products for contaminates?
- Applicant: Will have a lab in Grand Junction or Denver do the testing.
- Craig: 2 employees will be doing only extraction?
- Applicant: Yes
- Craig: Are employees chemists?
- Applicant: Looking at only qualified applicants for these positions.
- Rod: State has already licensed this business?
- Applicant: No. The State has not issued the licenses for this facility yet.

Public Comment: Open: 3:52 and Close: 4:07

- **Don Dahlstein** –
 - o Live across the street for 25 years. Concerned about visual impact and odors. Feel like the issues have been addressed by this process. Appreciate what is being proposed and the process.
- **Carol Dahlstein** –
 - o What about other access...this was used for deliveries etc... during that operation.
 - o If the main access is used, this is right by their doc.
 - o Could the traffic out the main access be managed.
 - o Maybe use other road for some of the access.
 - o Odor is a concern. Seems like this will be managed.
- **Dennis Kneier**
 - o How long is the lease for the facility. (5 years)
 - o What about employees for the cultivation and other added traffic.
 - o What % of plants going into the extraction process vs the market.
 - o How many trucks bringing in supplies?
 - o What about the use of the north road?

JAB Deliberation:

- Patsy: Have done a good job of answering the questions. Lease covers the bases. Seems like a minor component (extraction) of the overall facility.
- Sheelagh: Agree. Complete application. What about the 20.3A1 – Are these folks the permitted owner?
- County Attorney: Not a typical home business. If the property owner has a "red badge" feels this would satisfy the requirement of the Land Use Code.

- Rod: We should look at the purpose of the Code language. Is the primary use residential?
- County Attorney: There is a grandfathered use here, commercial equestrian, that might not fit either. Is reasonable to consider this a "home business"?
- County Attorney: We have 1 business up and running as a home business that is production facility.
- Rod: We have an obligation to the community. Looks like a well planned and thought out business. But, this does not seem like a home business.
- Craig: Home Business is a bit out of sync with these MJ businesses.
- County Attorney: Could specifically comment to the Board on how difficult this is to use the Home Business definition which does not seem to fit this type of business.
- Weaver: Howard and Reed will not live here but will be operators?
- Applicant: Future plan is to have property owner be primary owner of business.
- April: Would property owners be part of the LLC?
- Applicant: Yes
- Sheelagh: Applicant should make use of the north entry.
- Applicant: Not a problem.
- Sampson: Could condition the approval to meeting 20.3A(1) of the Code.
- Patsy: Would like to have the BOCC look at the Home Business issue.

JAB Recommendation:

MOTION:

Williams moved that the RAJPB recommend that the BOCC consider review of Section 20.3A1 or ordinance 2015-004 to clarify the requirements of Section 20.3A1 and recommend approval of the application by Dalwhinnie Farms, LLC for a home business to operate a retail marijuana products manufacturing facility with the following conditions:

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- (15) All interior lighting associated with the facility shall be completely screened and outdoor lighting must comply with the Outdoor Lighting Regulations of Ouray County.
- (16) The Applicant shall receive approval for a Marijuana Products Manufacturing License, from the County and State of Colorado, prior to commencing this proposed use.
- (17) The applicant shall comply with Section 20.3A1

SECOND: Rod

DISCUSSION:

Had further discussion about 20.3A1 and what this means.

Friendly amendment:

Jackman: Would like to make the use of the north entrance a requirement.

* The friendly amendment was not approved. Original motion stands.

VOTE:

April: Yes

Patsy: Yes
Sheelagh: Yes
Craig: Yes
Rod: Yes
Weaver: Yes

Request for authorization to allow the Ouray County Planning Commission to approve the minutes for this hearing.

- Yes the JAB approves this if the minutes are mailed out. No additional JAB meeting.

Adjourn:

MOTION: Rod

SECOND: Sheelagh

DISCUSSION: None

VOTE: Unanimous.

[4:52 p.m.]

STAFF:

[Signature]
6/6/15

P.C. CHAIR:

[Signature] *[Signature]*
6/7/15