

To: City Council  
From: City Clerk Gail A Davidson  
Date: October 9, 2015  
Re: Retail Marijuana Store License Application  
Pure Industries, LLC. Dba SOMA Wellness  
500 W. Highway 50, Unit #101  
Gunnison, Colorado

### City Staff Report and Recommendations

The City Council of the City of Gunnison, approved and adopted Marijuana Establishment rules and regulations. These are found in the Gunnison Municipal Code (GMC) and the City of Gunnison *Land Development Code (LDC)*. To operate a Marijuana Establishment in the City, a license from both the State of Colorado and the City of Gunnison must be obtained. The City application and licensing regulations are outlined in GMC Section 8.40.

Pure Industries, LLC dba SOMA Wellness, PO Box 3581, Crested Butte, CO 81224, completed and submitted the required State Marijuana Enforcement Division (MED) and the City of Gunnison Marijuana Establishment License Application forms for a retail marijuana store to be located at 500 W. Highway 50, Unit 101. Lee Olesen, PO Box 3581, Crested Butte, CO 81224, is the principal in the LLC holding a 87.2% ownership. Other principals in the LLC are Charles Reynolds, 218 Blackstock Drive, Crested Butte, CO 81224 and Marc Shen, 4365 Darley Ave., Boulder, CO 80305.

The proposed store location property is owned by B&L Holdings, LLC w/Kenneth Bergan as the principal in the LLC. Mr. Bergan has completed the Property Owner Consent for the City stating he authorizes the submission of the application for a retail marijuana store on property he owns. The proposed location is within the allowed zoning district for a retail marijuana store establishment within the City.

The State MED submitted their completed forms back to the City within the required seven days of their submission. Pure Industries paid the City-required \$2,000 license fee and the \$2,500 application fee, for a total of \$4,500 paid directly to the City of Gunnison. Once the State Application forms were received, they were forwarded onto the Police, Finance, City Clerk, Public Works, and Community Development Departments, as well as to the City Attorney for review.

A copy of the City of Gunnison Departmental Approvals form is included in the Public Hearing information packet. The results of that review include:

- Clerk's Department: the required complete application was filed including the property owner consent form. All City-required fees have been paid.

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- The Finance Department has issued a City Sales Tax License and has provided sales tax remittance information to the applicant.
- The Police Department has completed local background checks and investigations on the applicants - the LLC Principals.
- The Public Works Department has not identified any compliance issues with the City Utility Codes.
- The Community Development Department has received their internal Marijuana Site Development Application and has reviewed the application for compliance with the provisions of the City of Gunnison *Land Development Code* regarding allowed location, signage, control of marijuana-related odors, hours of operation, and City-adopted building standards. The CD Department has issued their retail marijuana establishment permit with the following conditions:
  - Marijuana establishment signage shall include only the registered business or trade name, address and telephone number of the marijuana establishment.
  - Marijuana establishment shall comply with all provisions, standards and regulations of the *Land Development Code*.
  - Marijuana-related odors shall not be discharged or emanate from any licensed marijuana establishment.
  - Hours of Operation of the retail marijuana store establishment shall be anytime between 8 a.m. and 10 p.m. Monday through Saturday, and limited to the hours of 1 p.m. to 6 p.m. on Sunday.
  - The licensed marijuana establishment is subject to inspections by the Community Development Director or designee. Inspections may include review of operations and maintenance records.
  - The Retail Store front window glazing shall not be painted or covered with opaque material, but non-reflective tinted glazing is permitted on the building fenestration.
  - Off-premises retail marijuana establishment storage facilities are prohibited.
  - The Building Official and Fire Marshal shall conduct a site visit and verify the revised floor plan.
  - The Restricted Area occupant load is set at 1 person/60 SF. The Limited Area occupant load is set at 1 person/300 SF. The licensed premises shall be signed with the maximum allowed occupant load.
  - A minimum of four parking spaces which are depicted on the *Condominium Plat of the West Gunnison Business Plaza Condominiums* shall be dedicated for the exclusive use of the licensed premises.

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Per City Code, after the Conditional State Retail Marijuana Store License was received from the Colorado Marijuana Enforcement Division, the City Council set the Public Hearing for 7:00 P.M., Tuesday, October 13, 2015, the premises was posted with the Public Hearing notice for over the minimum of 10 days, and the public hearing notice was published as required in the Gunnison Country Times Newspaper.

Based on the review and investigations of the license application, City Staff recommends approval of the Pure Industries LLC dba SOMA Wellness, 500 W. Highway 50 Unit #101, Gunnison, Colorado, 81230, Retail Marijuana Store License Application with the above-stated conditions.