



To: City Councilors
CC: Interim City Manager Mark Achen
From: City Clerk Gail Davidson
Date: January 20, 2016
Re: Setting Public Hearing on Retail Marijuana Store License Applications from:
White Porch LLC dba Hashish Hut; 827 N. Main St., Gunnison

Councilors:

On June 23, 2015, City Council passed Ordinance No. 5, Series 2015, establishing the regulations and process for approving medical and retail marijuana establishments in Gunnison. Since marijuana establishment applications became available on July 6, 2015, seven City retail marijuana store applications have been received and all have been approved by City Council.

On December 1, 2015, the City received a Retail Marijuana Store application from White Porch LLC dba as Hashish Hut. The location was formerly occupied by Munson Creek Jeep Rentals and the Bank of the West drive-thru banking facility. The application was forward to the City Attorney and pertinent City staff for review. The State-approved Conditional License has been received. Staff is recommending the City Public Hearing on this application be set in accordance with Gunnison Municipal Code Section 8.50.040B(1). The City application form has been included in your packet for preliminary information. The more detailed application will be included for the public hearing meetings.

Thank you, Gail

Action Requested of Council: A motion, second and vote to set the Public Hearing on the retail marijuana store license application from White Porch LLC dba Hashish Hut, 827 N. Main Street, in Gunnison, for 7:00 P.M., Tuesday, February 23, 2016.

CITY OF GUNNISON, COLORADO
MARIJUANA ESTABLISHMENT LICENSE APPLICATION



CITY CLERK'S DEPARTMENT
201 W. VIRGINIA AVENUE - P.O. BOX 239
GUNNISON, CO 81230
970-641-8140 (phone) 970-641-8051 (FAX)
gail@cityofgunnison-co.gov (email)

Date Application Received by Clerk: 12 / 01 / 15 (rec'd City/state)
Application Fee Paid: 11 / 231 / 15 (see attached fee schedule)
License Fee Paid: 11 / 123 / 15
Application Received By: HAH

TYPE OF LICENSE: (please choose ONE)

- Medical Marijuana Center
- Retail Marijuana Store
- Cultivation Establishment: Medical _____ Retail _____
- Marijuana Product Manufacturing Establishment: Medical _____ Retail _____
- Marijuana Testing Facility
- License Renewal
- Modification of Premises
- Transfer License Ownership
- Transfer of License Location
- Other (please specify) _____

BUSINESS PREMISES INFORMATION

Legal Business Name: White Porch LLC
Trade Name of Business (dba): Hashish Hut
FEIN: 47-5430098 City Sales Tax #: 99-745
State Sales Tax #: 29868154-0000
Physical Address of Business: 827 N. Main St.
Mailing Address of Business: PO Box 1085 Paonia, CO 81428
Business Telephone Number: 970-261-3254 - owner
Business Email: [REDACTED] hgunnison15@gmail.com
Property Owner Name: Kimber Arsenault
Property Owner Address and Phone Number: PO Box 1085 Paonia, CO 81428
Building Owner Name: Kimber Arsenault + Dana Lillard KDL Properties LLC
Building Owner Address and Phone Number: PO Box 1085 Paonia, CO 81428

If the applicant is not the owner of the land or building where the marijuana establishment is to be located, the applicant shall submit a lease and a notarized "Property Owner Consent Form" granting consent from the property and/or building owner for the City to initiate the review process.

APPLICANT INFORMATION

APPLICANT is applying as a: (please choose ONE):

- Corporation
- Limited Liability Company (LLC)
- Partnership (includes Husband/Wife Partnerships)
- Individual (Sole Proprietor)
- Other (Specify)

APPLICANT NAME: Kimber L. Arsenault

Individual or Sole Proprietorship:

Applicant Full Legal Name: Kimber Leigh Arsenault Social Security Number: [REDACTED] DOB: [REDACTED]

Applicant's Physical Address: [REDACTED]

Applicant's Mailing Address: P.O. Box 1085 Paonia CO 81428

Applicant's Home and Cell Phone Numbers: [REDACTED] * [REDACTED]

Applicant's Current Email Address: kimberga@tds.net

What Marijuana License(s) does the Applicant or any member of the LLC, Corporation, Partnership/Association currently hold with the State of Colorado?

- Medical Marijuana Center License #: _____
- Retail Marijuana Establishment License #: _____
- Marijuana Product Manufacturing License #: _____
- Marijuana Testing License #: _____
- Cultivation Center License #: _____
- Other License #: _____
- None License #: _____

What Marijuana License(s) does the Applicant hold with the City of Gunnison?

- Type: _____ License #: _____
- Type: _____ License #: _____

Additional Licenses Use Additional Pages

- None

OATH OF APPLICANT

I declare under penalty of perjury in the second degree that this application and any required attachments are true, correct and complete to the best of my knowledge. I also acknowledge that it is my responsibility and the responsibility of my agents and employees to comply with the provisions of the Colorado Marijuana Code that will affect my license.

Authorized Signature: Kimber L. Arsenault
 Printed Name and Title: Kimber L. Arsenault
 Date: Nov. 23, 2015

**(This page BELOW to be completed by City Staff)
CITY OF GUNNISON DEPARTMENTAL APPROVALS**

Each Department Must Review, Approve, Sign, Check-Off, and Date for Application Approval to be forwarded to City Council for approval.

CITY CLERK'S DEPARTMENT

- Includes payment of application and licensing fees; submission of complete application forms and any other forms as required.

Date approved: _____ By: _____

COMMUNITY DEVELOPMENT DEPARTMENT

- Compliance with Mechanical, Fire and Technical Codes of the Gunnison Municipal Code
- Compliance with Land Use Requirements as defined in the Gunnison Land Development Code.

Date approved: _____ By: _____

FINANCE DEPARTMENT

- Compliance with sales tax collection and remittance Code requirements

Date approved: 12/10/15 By: [Signature]

POLICE DEPARTMENT

- Successful completion of local background checks and investigations

Date approved: _____ By: _____

PUBLIC WORKS DEPARTMENT

- Compliance with City Utilities Codes

Date approved: _____ By: _____

REQUIRED ATTACHMENTS FOR CITY COUNCIL PUBLIC HEARING

Results of local background check by City of Gunnison Police Department.

Approved Site Development Application and/or Conditional Use Permit.

Completed State of Colorado License Application Forms to Application.

Date Application Accepted by City Council: ___/___/___

Date of Public Hearing: ___/___/___

APPLICATION APPROVED: ___/___/___

APPLICATION DENIED: ___/___/___

Colorado Marijuana Licensing Authority
Retail Business License Application

License Types & Fees (See Application Checklist for details on license types and fees.)			
<input checked="" type="checkbox"/> Retail Marijuana Store	<input type="checkbox"/> Tier 1 = 3600 or fewer plants	<input type="checkbox"/> Retail Marijuana Products Manufacturer	
<input type="checkbox"/> Retail Marijuana Cultivation	<input type="checkbox"/> Tier 2 = 3601 – 6000 plants	<input type="checkbox"/> Conversion	
<input type="checkbox"/> Retail Marijuana Test Facility	<input type="checkbox"/> Tier 3 = 6001–10200 plants	<input type="checkbox"/> Retail/Medical Marijuana Combined Use	
		<input type="checkbox"/> Affiliated Business	
Applicant's Legal Business Name (Please Print) <i>White Porch LLC</i>		Marijuana License Number (Assigned by Division)	
Trade Name (DBA) (Provide Trade Name Registration) <i>Hashish Hut</i>		Website Address	
Physical Address			
Street Address of Marijuana Business <i>827 N. Main St</i>		City <i>Gunnison</i>	State <i>CO</i>
		ZIP <i>81230</i>	
Business Phone Number	Business Fax Number	Email Address <i>hhgunnison15@gmail.com</i>	
Mailing Address (if different from Business Address)			
Address <i>P.O. Box 1085</i>		City <i>Paonia</i>	State <i>CO</i>
		ZIP <i>81428</i>	
Primary Contact Person for Business <i>Kimber L. Arsenault H</i>		Title <i>owner sole proprietor</i>	Primary Contact Phone Number <i>970-261-3254</i>
Primary Contact Address (city, state ZIP) <i>P.O. Box 1085 ([REDACTED]) Paonia, CO 81428</i>		Primary Contact Fax Number <i>970-527-4367</i>	
Federal Taxpayer ID <i>47-5430098</i>	Colorado Sales Tax License #	Email Address <i>kimberaga@tds.net</i>	
Type of Business Structure			
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Limited Partnership	<input checked="" type="checkbox"/> Limited Liability Company
<input type="checkbox"/> C Corporation	<input type="checkbox"/> S Corporation	<input type="checkbox"/> Publicly Traded Corporation	<input type="checkbox"/> Trust <input type="checkbox"/> Other
State of Incorporation or Creation of Business Entity <i>colorado</i>			Date <i>10/28/15</i>
Date of Qualification to Conduct Business in Colorado (Provide Certificate of Good Standing from the Colorado Secretary of State's Office) <i>10/28/15</i>			
If a Corporation, List all States Where the Corporation is Authorized to Conduct Business			
List all Trade Names used by the Business Entity (other than above)			
Attach copies of all articles of incorporation, bylaws, articles of organization, or a true copy of any partnership or trust agreement, including any and all amendments to such.			
If a corporation, attach copies of all annual and bi-annual reports, SEC filings, if any, and all minutes from all corporate meetings for the past 12 months.			

1. Is the applicant (including any of the partners, if a partnership; members or manager if a limited liability company; or officers, stockholders or directors if a corporation) or manager under the age of twenty-one years?	Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>		
2. Has the applicant (including any of the partners, if a partnership; members or manager if a limited liability company; or officers, stockholders or directors if a corporation) or manager ever (in Colorado or any other state); (a) been denied a privileged license (ie: Liquor, Gaming, Racing and Marijuana)? <input type="checkbox"/> <input checked="" type="checkbox"/> (b) had a privileged license (ie: Liquor, Gaming, Racing and Marijuana) suspended or revoked? <input type="checkbox"/> <input checked="" type="checkbox"/> (c) had interest in another entity that had a privileged (ie: Liquor, Gaming, Racing and Marijuana) license denied, suspended or revoked? <input type="checkbox"/> <input checked="" type="checkbox"/> If you answered yes to 2a, b or c, explain in detail on a separate sheet.			
3. Has a Marijuana license ever been issued to the applicant (including any of the partners, if a partnership; members or manager if a limited liability company; or officers, stockholders or directors if a corporation)? If yes, identify the name of the business and list any current or former financial interest in said business including any loans to or from a licensee. <input type="checkbox"/> <input checked="" type="checkbox"/>			
4. Does the applicant have legal possession of the premises by virtue of ownership, lease or other arrangement? Attach all documentation showing legal possession. Deed, Title, sale or lease agreements etc. <input type="checkbox"/> Ownership <input checked="" type="checkbox"/> Lease <input type="checkbox"/> Other (Explain in Detail) _____ (a) If leased, list name of landlord and tenant, and date of expiration, EXACTLY as they appear on the lease:			
Landlord <u>KDL Properties LLC</u> Tenant <u>White Porch LLE</u> Expires <u>Nov. 30, 2016</u>			
Attach a diagram of the premises to be licensed and outline or designate the area (including dimensions) which shows the limited access areas, walls, partitions, entrances, exits and what each room shall be utilized for in this business, including security equipment locations. This diagram should be no larger than 8 1/2" X 11". (It does not have to be to scale)			
5. Who, besides the owners listed in this application (including persons, firms, partnerships, corporations, limited liability companies, trusts), will loan or give money, inventory, furniture or equipment to or for use in this business; or who will receive money or profits from this business. Attach a separate sheet if necessary.			
Name	Date of Birth	FEIN OR SSN	Interest
Attach copies of all notes and security instruments, and any written agreement, or details of any oral agreement, by which any person (including partnerships, corporations, limited liability companies, etc.) will share in the profit or gross proceeds of this establishment, and any agreement relating to the business which is contingent or conditional in any way by volume, profit, sales, giving of advice or consultation.			
Local Licensing Authority (To be filled out by Applicant)			
Local Licensing Authority/Department <u>City of Gunnison</u>		Address <u>201 W. Virginia Ave, Gunnison, CO 81230</u>	
Local Licensing Authority contact name <u>Gail Davidson</u>		Contact Phone <u>970-641-8140</u>	Contact Email <u>gail@cityofgunnison-co.gov</u>
6. Has the Applicant filed for a retail marijuana cultivation?			Yes No <input type="checkbox"/> <input checked="" type="checkbox"/>
What City or County? (Fill out a separate and complete application)			
7. Does the Retail Applicant have evidence of a good and sufficient bond in the amount of \$5,000.00 in accordance with 12-43.4-303 C.R.S. (Include evidence with application)?			<input checked="" type="checkbox"/> <input type="checkbox"/>
Printed Legal Business Name <u>White Porch LLC</u>		Printed Trade Name (DBA) <u>Hashish Hut</u>	

Printed Legal Business Name **White Porch LLC** Printed Trade Name (DBA) **Hashish Hut**

- 1. Has the applicant, the applicant's parent company or any other intermediary business entity ever applied for a Marijuana license in this or any other jurisdiction, foreign or domestic, whether or not the license was ever issued? If YES, provide details on a separate sheet, including jurisdiction, type of license, license number, and dates license held or applied for. Yes No
- 2. Has the applicant, the applicant's parent company or any other intermediary business entity ever been denied a Marijuana license, withdrawn a Marijuana license or had any disciplinary action taken against any Marijuana license that they have held in this or any other jurisdiction, foreign or domestic? If YES, provide details on a separate sheet, including jurisdiction, type of action, and date of action. Yes No

Financial History

- 1. Is the applicant, the applicant's parent company or any other intermediary business entity delinquent in the payment of any judgments or tax liabilities due to any governmental agency anywhere? If YES, provide details on a separate sheet and attach any documents to prove settlement or resolution of the delinquency. Yes No
- 2. Has the applicant, the applicant's parent company or any other intermediary business entity filed a bankruptcy petition in the past 5 years, had such a petition filed against it, or had a receiver, fiscal agent, trustee, reorganization trustee or similar person appointed for it? If YES, provide details on a separate sheet and attach any documents from the bankruptcy court. Yes No
- 3. Is the applicant, the applicant's parent company or any other intermediary business entity currently a party to, or has it ever been a party to, in any capacity, any business trust instrument? If YES, provide details on a separate sheet. Yes No
- 4. Has a complaint, judgment, consent decree, settlement or other disposition related to a violation of federal, state or similar foreign antitrust, trade or security law or regulation ever been filed or entered against the applicant, the applicant's parent company or any other intermediary business entity? If YES, provide details on a separate sheet and attach any documents to prove the settlement of any of these issues. Include any items currently under formal dispute or legal appeal. Yes No
- 5. Has the applicant, the applicant's parent company or any other intermediary business entity been a party to a lawsuit in the past 5 years, either as a plaintiff or defendant, complainant or respondent, or in any other fashion, in this or any other country? If YES, provide details on a separate sheet and attach any documents to prove the settlement of any of these issues. Include any items currently under formal dispute or legal appeal. Yes No
- 6. Has the applicant, the applicant's parent company or any other intermediary business entity filed a business tax return in the past two years? Yes No
- 7. Has the applicant, the applicant's parent company or any other intermediary business entity completed financial statements, either audited or unaudited, in the past two years? If YES, attach all financial statements completed in the past two years. Yes No
- 8. Has any interest or share in the profits of the sale of Marijuana been pledged or hypothecated as security for a debt or deposited as a security for the performance of an act or to secure the performance of a contract? If YES, provide details on a separate sheet. Yes No

9. Attach a list detailing the operating and investment accounts for this business, including financial institution name, address, telephone number, and account number for each account.

10. Attach a list detailing each outstanding loan and financial obligation obtained for use in this business, including creditor name, address, phone number, loan number, loan amount, loan terms, date acquired, and date due.

Person who maintains Applicant's business records
self - Kimberle Arsenault Title **owner**

Address **PO Box 1085 Padonia, CO 81428** Phone Number **970-261-3254**

Person who prepares Applicant's tax returns, government forms & reports
Randy Fisher (personal returns) Title **CPA**

Address **3/4 W. Bridge St. Hotchkiss, CO 81419** Phone Number **970-872-3664**

Location of financial books and records for Applicant's business
[redacted] Padonia, CO 81428 and 827 N. Main Gunnison, CO 81230

STATE OF COLORADO

DEPARTMENT OF REVENUE



Marijuana Enforcement Division



Retail Marijuana Conditional License

WHITE PORCH, LLC

827 North Main Street, Gunnison, CO 81230

Retail Marijuana Store - 402R-00538

Effective Date of License: January 7, 2016

License Valid Through: 01/07/2017

*Corrected
date*

This license is conditioned upon Local Authority approval, pursuant to section 12-43.4-304(1) C.R.S.

This conditional license is issued subject to the laws of the State of Colorado and especially under the provisions of Title 12, Article 43.4, as amended. A licensee shall not exercise any of the rights or privileges of this license until such time as all such Medical Marijuana and Medical Marijuana-Infused Product are fully transferred and declared in the MITS system as Retail Marijuana and Retail Marijuana Product, pursuant to Rule R211 & R309. This conditional license is nontransferable and shall be conspicuously posted in the place above described. This conditional license is only valid through the expiration date shown above. Any questions concerning this conditional license should be addressed to: Colorado Marijuana Enforcement Division, 455 Sherman Street, Suite 390, Denver, CO 80203. In testimony whereof, I have hereunto set my hand.

W. Lewis Koski

W. Lewis Koski
Division Director

Barbara J. Broni

Barbara J. Broni, Executive Director