



**MINUTES OF THE REGULAR MEETING OF THE  
PALISADE PLANNING COMMISSION  
120 W 8<sup>th</sup> Veteran's Memorial Community Center  
(Also Virtual Participation Via ZOOM)  
March 16, 2021**

The regular meeting of the Planning Commission for the Town of Palisade was called to order at 6:03 pm by Chairman Riley Parker with Commissioners present: Dave Hull, Charlotte Wheeler, Penny Prinster, Stan Harbaugh, and Andy Hamilton (via Zoom). Commissioner Chris Curry was absent. A quorum was declared. Also in attendance were Town Manager Janet Hawkinson, Community Development Director Brian Rusche, and Planning Technician Lydia Reynolds(via Zoom).

**AGENDA ADOPTION**

*Motion #1* by Commissioner Prinster, seconded by Commissioner Harbaugh, to approve the Agenda as presented.

A voice vote was requested.  
Motion carried unanimously.

**ANNOUNCEMENTS and PRESENTATIONS**

Town Manager Janet Hawkinson announced that the Highway 6 project engineer plans are 30% complete and will be presented at an open house on Thurs, March 25,2021, from 2:00 pm - 8:00 pm. She also reported that \$50,000 was awarded to the Town through a Main Street grant. These funds were part of the COVID funding and will provide parklets for Pêche and Diorio's restaurants.

Town Manager Hawkinson asked for a moment of silence to honor Harry Talbott, who passed away on Sunday.

**MINUTES**

*Motion #2* by Commissioner Prinster, seconded by Commissioner Wheeler, to approve the Minutes of March 2, 2021.

A voice vote was requested.  
Motion carried unanimously.

**PUBLIC COMMENT**

None was offered.

## PUBLIC HEARING

### **A. PRO 2021-3 – Colorado Weedery CUP (Conditional Use Permit)**

#### STAFF PRESENTATION

Community Development Director Brian Rusche informed the Commission there have been two updates since he has submitted his staff report. The first change is that the applicant has requested that lot two of this proposal be removed from consideration as it will not be a part of the marijuana operation. The second change is the addition of a diagram for suggested traffic access that he will display during the presentation.

Community Development Director Rusche gave a brief background of the proposed relocation of the retail marijuana operation from 125 Peach Ave, Unit C, to the proposed location. There will be 22 parking spaces required at the new site. The proposed property is addressed as 787 37 3/10 Road (a.k.a. Elberta Avenue) but is not adjacent to the road. Rather, it is accessible by an access, utility, and irrigation easement (a.k.a. Grande River Drive). It was noted that Colorado Department of Transportation (CDOT) regulates Elberta Ave's access in that area and may require a traffic study and /or improvements that would be the applicant's responsibility. Mr. Rusche displayed an access/traffic flow map that was amended by the applicant. Mr. Rusche then gave an overview of the Conditional Use Permit (CUP) requirements for a marijuana dispensary that included hours of operation/deliveries and the use of an air filtration system to prevent odors. It was noted that this proposal does not include a marijuana cultivation operation.

Mr. Rusche concluded his presentation by informing the Commission of the code criteria and the four findings of fact to be considered in the approval of a CUP.

#### APPLICANT PRESENTATION

Jesse Loughman stated that he and his wife Desa Loughman have been running cannabis-related businesses in Palisade for over 11 years. This last year they have not only stayed open but were deemed critical/essential. Their business continues to grow; however, he noted the possibility of marijuana stores being allowed in Grand Junction in the near future. They would like to stay competitive and bring commerce to Palisade. Parking downtown has always been an issue, and this move should alleviate some of that. Mr. Loughman clarified that the medical marijuana operations would stay in the same location.

#### PUBLIC COMMENT

Juliann Adams, 3839 G Rd., noted that she submitted a letter that was included in the packet and highlighted three points: 1) possible negative impact to neighboring businesses such as the Wine Country Inn and Talon Winery 2) she would like the applicants to look at alternative sites such as the east side of Golden Gate Gas Station, the old bakery warehouse by the Brewery, and the Food Bank of the Rockies that will be leaving Palisade soon.

Mrs. Adams expressed concern regarding the traffic impact at that intersection and did not think it would be a good look for the gateway to Palisade. Ms. Adams questioned that there would be 2 locations for one owner. Ms. Adams concluded that she is not against the business, just the location.

Dan Bigelow, 1023 Grand River Dr. spoke at the podium, as did Ian Kelley, General Manager of the Wine Country Inn at 777 Grand River Dr. Due to audio issues, participants on Zoom indicated that they could not hear the testimony given [they were invited back to the podium later in the meeting].

Shelly Dackonish stated she was an attorney representing the owners of the Wine Country Inn at 777 Grande River Dr.. She noted that she has submitted a letter for the record. A CUP is a zoning exception that allows a property owner to have a use on their property that is not normally permitted. Therefore, the use cannot be permitted unless the applicant can demonstrate that it will not negatively impact nearby properties. Ms. Dackonish did not feel there was enough evidence provided to the Commission to base their decision that the criteria has been met, such as how it will be free of odors. Ms. Dackonish pointed out that the relocation would adversely affect their business and the investment the Tally's have made to their property. Ms. Dackonish asked that if the CUP is approved, they would at least like the odor control to be part of the CUP and air filtration devices be installed to address the entire building.

Donaldson Lawry 3882 G Rd., read a letter into the record. (attached to these minutes)

Willie Millang 3728 G 7/10 Rd., stated her property borders south and west of the Grand River Winery. She did not have an objection to the marijuana business and expressed confidence that the owner will use proper odor controls. Ms. Millang stated she is more concerned about security for the business than about traffic, odor, or other things.

Brent Goff, 3873 Highway 6 & 24 asked for denial of the CUP as it would negatively affect neighboring property values. Mr. Goff stated he has 30 years experience as an appraiser and operates a small orchard and vineyard. Mr. Goff noted a 2020 study done by the National Association of Realtors called "Marijuana and Real Estate - A Budding Issue" that states: 1) in states where marijuana was legal the longest, 27% saw a decrease of residential property values near dispensaries, and 2) states that where both medical and recreational marijuana legal, crime increased 17%. Mr. Goff was concerned about the location of the proposed dispensary being at the highway exit.

Tammy Craig, 150 E 3<sup>rd</sup> St., stated she is the owner of Fruit and Wine Real Estate and noted that she is the realtor for the seller of this property which has been on the market for two years. She reported that this is the best offer he has had in the two years. Ms. Craig noted that the value of the two houses behind the current dispensary did not depreciate and were sold at premium prices. Ms. Craig asked the Commissioners to approve the proposal.

Stacey Libby, 1015 Grand River Dr., stated she is concerned about the traffic, and it is already a difficult turn to her property. She stated that they have had people walk down the road already and is concerned about more people walking down the road. She also expressed concern about the existing grapevines.

Curt Lincoln, 683 38 3/8 Rd., asked the Commissioners to deny the CUP. Mr. Lincoln stated that he feels the Loughmans are responsible business owners, and he hopes Steve gets a good price for his property. That being said, he feels the identity of Palisade is at stake. Mr. Lincoln did not feel a larger, more accessible marijuana store at that location was good for the entire community. He felt the Wine Country Inn is beneficial to the entire community and was concerned the dispensary would compromise their business and property value.

Steve Smith stated he was the founder and proprietor of the Grand River Winery. Mr. Smith stated he has been trying to sell his winery for two years. This is a private transaction, and he requested the Commissioners to approve the CUP.

Susan Barstow, 564 W 1<sup>st</sup> St., stated she understands the concerns about the entrance to Town. She reported that traffic on 1<sup>st</sup> Street has been an ongoing issue. Ms. Barstow noted that 1<sup>st</sup> Street is like a noisy highway.

Shannon and Crystal Day, 1019 Grand River Dr., stated her access road is currently quiet and feels the road cannot support the potential traffic. Ms. Day reported that people treat the stop sign coming off the highway like a yield sign. She noted the gates that were on the site plan and is concerned about the implications of those and that this CUP will negatively affect their property values.

Ryan McConnell, 126 Kluge Ave., stated he was a next-door neighbor of the current dispensary location and had no problems or concerns with this business. They have been very accommodating with addressing any parking concerns he had.

Megan Napoleon, 3722 G 7/10 Rd., asked that the first two speakers repeat their comments as they were not audible. The Commission agreed to allow the speakers to return to the podium.  
Dan Bigelow, 1023 Grand River Dr. expressed concerns with traffic, especially after the increase in traffic that Golden Gate generated.

Ian Kelley stated he is the General Manager and Controller of the Wine Country Inn at 777 Grande River Dr., and expressed opposition to the application. The location of the Weedery at Exit 42, the gateway to the Town, does not present an image that is favorable for tourism. They did not feel the criteria for the CUP has been met. They were concerned about property values and odor.

#### COMMISSIONER DISCUSSION

Commissioner Hull disclosed that he has a relationship with Steve Smith and the Grand River Vineyards, but he does not derive direct income from these relationships. He stated that he did not feel he needs to recuse himself from the discussion of this proposal.

Commissioner Hamilton suggested adding additional conditions regarding odors emitted from this business. Commissioner Hull added that he lives at 204 W 1<sup>st</sup> St. and is familiar with the odors, but after 11 years, he has become accustomed to the smell. He expressed concern regarding the moratorium on additional retail licenses within the Town. Community Development Director Rushe clarified that this is a CUP application and not a store license application. The license is addressed by the Board of Trustees.

Commissioner Wheeler stated her only concern is traffic.

Commissioner Prinster asked if the odor emitted is from growing marijuana. Mr. Loughman stated that the odor is generally from a grow operation and that the products he will have at the dispensary are generally prepackaged and leave the store in smell-proof containers. Mr. Loughman asked if the Town Manager has received complaints on odor issues associated with the business. Town Manager Hawkinson stated she has not received complaints directly, but she will check with the Code Enforcement Officer. Mr. Loughman added that there are many Palisade citizens who grow their own marijuana, and that can contribute to an odor in Town.

Commissioner Harbaugh felt the application did not meet three of the four criteria of approval. Specifically, he cited Criteria 1, public health and safety, expressing concern over adding traffic to an already busy road. He thought this was not sound land planning, which is Criteria 2, for what the comprehensive plan indicated with the emphasis on fruit and wine. He did not feel the marijuana industry should be front and center. In addition, he felt this location could affect negatively the property value of the Wine Country Inn, which is Criteria 3.

Chairman Parker stated after reading all the letters submitted it appears the biggest opposition is the odor, citing two compelling letters from S. Dackonish (attorney for Wine Country Inn) and C. Sumnicht at 229 W. 1<sup>st</sup> St.. He suggested that there may need to be a reconsideration of the CUP that currently exists.

Commissioner Hamilton noted that the current visitors already pass through the intersection of I-70 and Elberta on the way to the current location. The winery location seems to alleviate some of the concerns of those neighboring the current location.

#### APPLICANTS CLOSING REMARKS

Mr. Loughman stated that his business has not had a negative impact in the 11 years he has been in Palisade. Regarding the turn down Grand River Dr.. Mr. Loughman pointed out that an engineered traffic study will be conducted that can address the concerns that would happen to any growing business that locates there and that they would take care of any concerns to the best of their ability. Mr. Loughman stated that they have one retail marijuana license, separate from the medical license he owns, and he is just relocating it. Mr. Loughman pointed out that they are entitled to a beautiful location, just like any other business. He also stated that a lot of the guests of the Wine Country Inn are his customers as well. Mr. Loughman noted that property values have not decreased in the 11 years they have been there. Mr. Loughman added that the price he is paying would reflect positively to the neighboring property values and was excited to show the Town the plans for the design of the new location.. He plans upgrades to the landscaping and will have a robust security plan. He also noted that the road is private, meaning anyone loitering would be trespassing. Mr. Loughman stated that he realizes that the Wine Country Inn is great for Palisade, and he plans to respect that with his property. He added that Palisade is not only a wine town and that his business satisfies all three of the uses described in the zoning – hospitality, retail and ag. Mr. Loughman noted that this move would mitigate some of the traffic going down W 1<sup>st</sup> Street, which is not all a result of his business, and free some parking downtown. He further indicated that he would rather not have gates but that they are to help direct traffic.

Mr. Loughman reported that he would keep the second parcel next to Wine Country as a development property down the road, possibly for another hotel, but assured the Commission that the parcel would remain as agriculture, as it is a benefit for tax purposes, until it is time to develop the property. Mr. Loughman added that his present location is low key and they have a good business model.

Ms. Hawkinson made a Point of Clarification that CDOT owns the portion of Elberta from I-70 to the canal, not the Town. The applicant will need to work with CDOT with a traffic study and the expensive of any possible upgrades to the intersection to the property and Elberta. The Town is not financially responsible for these improvements.

Commissioner Prinster asked for clarification about growing marijuana or hemp on this parcel. Mr. Loughman replied that he wanted to be clear, they will not be growing marijuana or hemp there.

Motion #3 by Commissioner Prinster and seconded by Commission Wheeler to recommend approval to the Board of Trustees of item PRO-2021-3 with the conditions included in the packet.

A roll call vote was requested, and the vote on the motion was as follows:

**YES: Commissioners: Hamilton, Wheeler, and Prinster**

**NO: Commissioners: Hull, Harbaugh and Chairman Parker**

**ABSENT: Curry**

**The motion failed 3-3**

UNFINISHED BUSINESS

Discussion about Commissioner emails and IPADs was discussed.

NEW BUSINESS

None

ADJOURNMENT

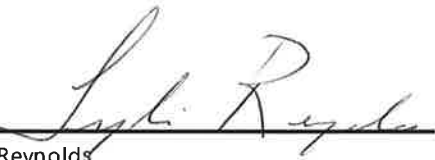
Chairman Parker adjourned the meeting at 7:49 pm.

X



Riley Parker  
Planning Commission Chairman

X



Lydia Reynolds  
Planning Technician

March 16, 2021

Brian Rusche, Town Planner  
Town of Palisade Planning Commission  
Town of Palisade Board of Trustees  
145 East 3rd Street  
Palisade, CO 81526

VIA email: [kfraiser@townofpalisade.org](mailto:kfraiser@townofpalisade.org)

Re: PRO 2021-3, CUP for Marijuana Operations at Grand River Vineyards

Dear Mr. Rusche, Planning Commissioners, and Board of Trustees:

I am writing in opposition to the request for moving the Colorado Weedery from its current location to the Grande River Vineyards location.

I would like to echo and emphasize the sentiments listed in Lafe Wood's letter, and wanted to add my own personal feelings on the matter.

When I lived in Denver and drove home from Moab trips, I would always see Palisade from I-70. This view predominately featured the Marquis Grande River Vineyards and orchards. I always said to myself: "Wouldn't that be a nice place to live?" Twenty year later, my wife and I built our home here. We live in the Vinelands now and grow vines and make wine and jam from them as a hobby. We are a testament to the iconic draw Palisade has from the interstate. One of the least enjoyable aspects of life in Denver was the aromas of the weed shops, particularly near our home at the exit of 6<sup>th</sup> Avenue and I-25. I use the I-70 exit to Palisade daily and would hate to experience that again.

Palisade is known in the region for the fruit and wine. The first thing anyone mentions when they hear we live in Palisade is the peaches. A marijuana theme at the town entrance will detract from the pride of the agriculture in the area. Do we want the new image and impression of Palisade to be that of marijuana?

Allowing the Grande River Vineyards location to become a Weed Megastore would sully the image, smell, and allure of Palisade.

Respectfully,

A handwritten signature in black ink, appearing to read "Donelson and Melissa Lawry". The signature is written in a cursive, flowing style.

Donelson and Melissa Lawry  
3882 G Road  
Palisade, CO 81526