

❖Blending ❖Packaging ❖House Brands ❖Private Label ❖Contract Packaging
Phone: 303-778-1805 Fax: 303-778-0170 Info@crystalpackaging.com

September 28, 2018 (revised January 4th, 2021)

City of Commerce City Community Development 7887 E. 60th Ave Commerce City, CO 80022

RE: Crystal Packaging, Incorporated - Conditional Use Permit Narrative for the property located at 9155 Boston St., Henderson, CO 80640

To whom it may concern:

This document serves as the narrative for the Conditional Use Permit (CUP) application for the Crystal Packaging, Inc.'s (CPI) operations located at 9155 Boston St., Henderson, CO 80640. The site is located in the Irondale Planning/Industrial Enclave Planning Areas, and covers 6.92 acres. The Record Description is Lot 2, Wardel Industrial District, Adams County, CO. The site is generally rectangular in shape, with an additional approximately 280 x 160' rectangular parcel attached at the property's southwest corner. The site infrastructure includes an approximately 71,000 square feet blending and warehouse facility with a large bulk tank farm on the west side of the building. The property has a rail spur to accommodate 8 rail cars and is serviced by Burlington Northern Santa Fe Railroad. The property was annexed by City of Commerce City, CO (C3) in approximately 2007, and C3 has listed this property as non-conforming since that annexation. To date, the property has never required a CUP.

BACKGROUND

The facility has been in operation since its construction in 1983. Since that inception, the facility has housed a contract blending business with an emphasis on bulk lubricants, (traditional and synthetic oils, non-flammable) propylene glycol blends for aircraft wing deicing fluid (non-hazardous) and ethylene glycol for automotive antifreeze. In February 2018, via an Asset Purchase Agreement, CPI purchased the Rocky Mountain Petroleum (RMP) business operations, which had been the facility operators since 2015. The building is now leased to CPI through a related company, Power Assist, Co, which owns an option to buy the property from the previous owner. Currently, CPI is continuing the former RMP operations while we prepare to improve the building to house CPI's Denver operations.

Plans for the internal construction have been submitted to the applicable Commerce City departments and have been approved by the building department and South Adams County Fire Department (SACFD). Community Development will allow a conditional construction permit to be issued as long as CPI is in the process of submitting a CUP application with the caveat that a

Certificate of Occupancy (building permit) will not be granted until a Development Review Application and CUP application has been submitted and proper fees paid. With the approval of local AHJs, CPI will move its Denver operations to the subject property by November 15th, 2018.

-January 2021 update: Crystal Packaging completed prior construction efforts to plan, and the related construction permit has been closed. CPI has relocated its entire operation to the 9155 Boston St. facility, and is submitting this narrative and CUP application as conditioned.

CPI Denver Operations - CPI stores, blends and packages automotive windshield washer fluid; and commercial and consumer cleaning products, with an emphasis on organic and environmentally friendly cleaners. The windshield wash blending requires the use of methanol, which is a flammable liquid. As such, per NFPA regulation, those operations require a Hazardous 3 occupancy (H-3) production area, which will require primarily internal building modifications to meet fire code regulations. As part of the internal construction and operations support, a makeup air unit (MAU) and generator, required for life safety, will be installed outside on the north side of the building. As the MAU and generator fall outside of the building envelope, these items are considered "an improvement to the property" and will require a CUP. As part of this application, please see the corresponding Conditional Use Permit Statement of Operations for a detailed discussion of CPI's combined operations.

CPI's SUPPORT OF C3'S VISION PLAN

As part of this CUP application, CPI reviewed Commerce City's C3 Vision Plan, dated 5/3/2010 and the following narrative describes how CPI's move and building improvement is consistent with and supportive of C3's Vision Plan.

1. Community Need for the Proposed Use

The land-use proposed under this application provides a needed service for industrial and commercial businesses, and consumers throughout Denver, Colorado, the US and international markets. Crystal provides valuable products by conducting safe and efficient blending business operations, providing employment opportunities and being a larger participant in the Commerce City business community. The business houses and will house specially designed process areas that are expensive to construct and maintain. However, the end result is that these areas provide operating areas that are designed to safely process the cleaning agents and compounds we blend. The systems and training we have in place insures a healthy, safe environment not only for our facility, but also for our neighbors and the environment as well. Our safety record is excellent, and CPI has never had a reportable release at the Denver or Boston Street facilities.

2. Economic Development

With the proposed CUP approval, Commerce City will allow CPI to contribute to the C3's Economic Development Goals and Policies:

1. Goal ED 1 – Increase economic diversification and opportunities for clean, prosperous business.

CPI's Fiscal Stability - The Boston St. facility has been in constant operation since 1983. CPI has been in constant operation since 1986. That represents stability in economic growth as well as job growth. CPI's broad reach of products spans many industries, geographies and markets. As a result, our business may stay stronger during periods of local, market specific or nationwide downturn. This strength will increase Commerce City's tax revenue base over the short and long run.

Green Focus - The organic and environmentally friendly products we produce will help further C3's Green initiatives by having those products made locally and increasing the amount of Green items produced in Commerce City. Our products can be found in King Soopers, City Market, Whole Foods, Sprouts, Wal-Mart, Amazon and virtually every major retailer and convenience store in Colorado. By having those products made in Commerce City, it helps keep retail pricing lower to the community by being produced locally and boost C3's standing in the green economy.

2. Goal ED 2 – Retain and increase strong employment base.

With an approved CUP, CPI will not only maintain the jobs that have been at this location for many years, but we also bring a growing, stable business into the community, which will mean job growth and further stability for Commerce City. CPI will relocate 30 employees from our Denver operations, bringing the total number of employees to forty (42). With a refocus on the sales initiatives and merger synergies, CPI anticipates hiring an additional salesperson, and three (3) full time line and/or transportation workers. Additionally during peak demands, CPI anticipates hiring up to 10 seasonal employees.

Employees are highly qualified professionals and tradespeople in their lines of work. Positions include executive, sales, operations management, laboratory management, laboratory technician, administrative, line workers, warehouse and delivery personnel. Our training and safety program will provide a professional place for local people to work and build skills upon. Our quality control program will provide further stability insuring that the products we put into the market will continue to be made locally. CPI looks forward to continuing to work with the Adams County Workforce and Business Center to assist us in employing local residents. The employees who work at our facility will be trained at their skills and have the proper safety training to not only work effectively at our facility, but take those skills to another job if they so desire.

3. Goal ED 3 – Recruit new employment and commercial development.

Building for the Future – CPI's future business plans include constructing a warehouse addition, which will increase our business size and opportunity to add more employees. CPI will bring jobs into the community as well as have an immediate need to hire more people. By working with Commerce City Economic Development and Adams County Workforce departments we will help the local community with jobs and job training.

3. Land Use and Planning

The facility is located in the Industrial Enclave area and is in compliance with the purpose, goals and objectives of the C3's Comprehensive Plan. CPI will be adding our operations without changing the exterior appearance of the facility. The facility was constructed in 1983 with a clean look and professional quality. The facility is comprised of a metal-sided two-story building with a rail siding to the south and a tank farm located to the west. The facility is in excellent condition, and the site is clean and well kept. Good housekeeping is of utmost importance in our business, and CPI has and will always present a clean, well-run facility to our customers, our neighbors and our community.

The facility is surrounded by other well-kept industrial businesses or large vacant land parcels. Neighboring properties include the following:

West – Approximately 7 acre vacant parcel of land, with the Birko Corporation further west.

North – East 92nd Ave and then Approximately >30 acre vacant parcel of land

South – Approximately 21 acre parcel of land housing the Weyerhaeuser Corporation Distribution operations

East – Approximately 28 acre parcel housing a large container storage depot

The nearest residential area is located approximately 2600 feet to the southwest of the facility. The land use under this application will follow the goals of Commerce City, CO. Thus, the site is in compliance with the transition issue and does not impact the other stated issues in the Land Use and Growth Plan section.

4. Harmony with the character of the neighborhood and surrounding area

The CPI facility is in harmony with the character of the neighborhood. The facility is located in an industrial area, and the subject parcel and surrounding properties are zoned I-3. The grounds have been maintained with a neighborhood appropriate look and feel. The facility is similar to other businesses in the area. Neighbors to the west of the plant, Birko and SC Fuels, operate in the same industries and have clean and comparably developed sites as well.

5. Effects on adjacent property

There are no anticipated effects to adjacent properties from a CUP approval. All operations are conducted using AHJ regulated practices that ensure safety to the public health and environment. CPI's unloading areas and tank farm are interlinked so that any processing product remains on site. The unloading and loading areas are surrounded by a self-contained trench system that drains into the tank farm. The HMMP has emergency procedures in place. These methods result in zero discharge to adjacent properties.

6. Effects on public infrastructure and city services

The facility has been present at the currently location since 1983. The business will contribute to the tax base as required to develop the infrastructure. A 4 inch water tap will be installed and an additional sanitary sewer line, with a sampling pit, will also be constructed at the site (installed as of February, 2019).

CPI maintains a South Adams County Water and Sanitation District Wastewater Discharge Permit. This permit outlines a collection and treatment system by which CPI will collect affluent from wash downs from our cleaning product blending tanks and filling lines. CPI will monitor, treat and release pH compliant wash down water to the sanitary sewer with the parameters of our permit. Our wash down operations will utilize small quantities of water; 20-25 gallons per wash down which will happen approximately 3 times per day. CPI will also continue to be monitored by SACWS (South Adams County Water and Sanitation District) who has issued the permit. This permit and monitoring will insure the wellbeing of the sanitary sewer system from discharge water coming from our facility.

No spills would enter any storm or sanitary sewer or drain offsite. The unloading and loading areas are surrounded by a trench system that drains into the tank farm, and are equipped with SPCC kits and barriers. We have a good working relationship with the South Adams County Fire Department and South Adams County Water and Sanitation District.

7. Landscaping and screening

The property is currently professionally landscaped with trees on the northern and eastern boundary. The new construction inside the building will require a generator and air make up unit to be installed on the northwest corner of the building. These 2 units will be approximately 4 feet wide by 15 feet long and will be screened according to Commerce City regulations. Thus, with the current landscaping and proposed screening/landscaping improvements per this submittal, CPI feels that we will be in compliance with C3's Vision Plan.

8. Noise, dust, odor or other nuisances that may impact the surrounding area

Currently, none of the above factors affect the neighborhood and when CPI moves operations to this facility, there will be very limited change. The northern end of the building is over 100 feet from Heinz Way and while we have neighbors across the street to the east on Boston St and to the South; there are no offices that face the property. Property to the east is a storage yard for shipping containers and the southern property is outside storage of building products.

Truck and rail car traffic is anticipated to increase during normal business hours. However, all adjacent business use these transportation modes, and this activity level would be considered standard for an I-3 Zoning. Thus, CPI feels that there would be no additional nuisance factors that would impact surrounding properties.

Supplemental

CPI is requesting an increase in the total allowable volume of tank storage as part of this CUP submittal. Current volume in storage is 2,011,509 gallons, and CPI is seeking 2,500,000 gallons of allowable volume in storage- a 488,491 gallon increase. As current tank storage vessels age, exchange replacements will become necessary from time to time. CPI would like to increase its storage capacity by way of 1:1 exchange of storage tanks over time. The volume of capacity of the replacement tank(s), as may be applicable, would be slightly greater than the tank being replaced, but in no circumstance would such replacement tank exceed a single vessel volume of 108,000 gallons. The CPI facility is equipped with a concrete secondary spill containment basin with containment volume of 177,238 gallons. Code requires a minimum secondary containment of 1.5 times greater than the largest singular vessel- a 108,000 gallon vessel (or smaller) is below this threshold.

Each tank exchange that is to occur will be reported/recorded with both South Adams County Fire District, and the State of Colorado. The products in storage/to be stored in the exchanged tank will also be reviewed with SACFD to ensure maximum allowable volume(s), public safety, and code measures.

Conclusion

CPI's subject property has been listed as a non-conforming property since Commerce City's 2007 annexation. In order to meet the intent of C3's Comprehensive Plan, the addition of the exterior mounted generator and make up air unit required to support CPI's expanded operations at the property require a CUP application. CPI believes that the above and referenced information/application will allow Commerce City to consider and approve this application and allow CPI to expand facility operations with the exterior improvements to the building, while wholly supporting C3's Vision Plan.

Thank you in advance for your review and consideration in this matter. Please do not hesitate to contact me at the information below with any questions or concerns.

Sincerely,

Scott Vincent CEO 303-865-7101 Scott@crystalpackaging.com