

ORDINANCE NO. 2
(Series of 2017)

AN ORDINANCE OF THE TOWN OF DINOSAUR, COLORADO AUTHORIZING THE ESTABLISHMENT OF MEDICAL MARIJUANA BUSINESS ESTABLISHMENTS; PROVIDING FOR THE LICENSING OF SUCH MEDICAL MARIJUANA BUSINESS ESTABLISHMENTS; AND SETTING FORTH THE OPERATIONAL REQUIREMENTS OF MEDICAL MARIJUANA BUSINESSES.

WHEREAS, the voters of Colorado approved Amendment 20 at the 2000 general election, which was subsequently codified as Section 14 of Article XVIII of the Colorado Constitution (“Medical Marijuana Amendment”), and which authorizes the medical use of marijuana by persons in Colorado suffering from debilitating medical conditions; and

WHEREAS, as a result of recent modifications to federal law enforcement policy concerning the prosecution of federal marijuana violations in states which have legalized the use of marijuana for medical purposes, medical marijuana centers have increased within the State of Colorado, as well as other states that have adopted constitutional or statutory provisions authorizing the medical use of marijuana; and

WHEREAS, despite the adoption of Amendment 20, marijuana is still a controlled substance under federal law. As a result, making it legal for a person to obtain, possess, cultivate, grow, use and distribute marijuana, even for the medical uses contemplated by Amendment 20, has the potential for abuse that should be closely monitored and regulated by local authorities to the extent possible; and

WHEREAS, if not closely monitored and regulated, the presence of marijuana, even for the purposes legally permitted by Amendment 20, can cause an increase in illegal activities within the Town of Dinosaur affecting the health, safety, order, comfort, convenience and general welfare of the residents of the Town; and

WHEREAS, if medical marijuana facilities operating pursuant to Amendment 20 were allowed to be established and to operate without appropriate local regulation, medical marijuana facilities might be established in areas that would be inconsistent with surrounding land uses, or otherwise be detrimental to the public health, safety and welfare; and

WHEREAS, on May 11, 2010, the Colorado General Assembly passed H.B. 10-1284, which was signed into law by the Governor on June 7, 2010, and now in part is codified as the Colorado Medical Marijuana Code, Sections 12-43.3-101, *et. seq.*, C.R.S.; and

WHEREAS, the Colorado Medical Marijuana Code establishes a dual licensing framework for medical marijuana businesses, introduces new terminology with respect to such businesses, significantly restricts the type of licenses that may be issued within the State of Colorado, and provides for rule making authority by the Colorado Department of Revenue to implement the legislation.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF DINOSAUR, COLORADO:

Section 1. Purpose. The Town Council of the Town of Dinosaur intends to regulate the use, acquisition, cultivation, production, and distribution of Medical Marijuana in a manner consistent with Article XVIII, Section 14 of the Colorado Constitution (the “Medical Marijuana Amendment”) the Colorado Medical Marijuana Code and regulations adopted by the State of Colorado thereunder.

- (a) The Medical Marijuana Amendment to the Colorado Constitution does not provide a legal manner for patients to obtain Medical Marijuana unless the patient grows the marijuana or the marijuana is grown by the patient’s primary caregiver.
- (b) The Colorado Medical Marijuana Code, Article 43.3 of Title 12, Colorado Revised Statutes imposes statewide regulations pertaining to the use, acquisition,

cultivation, production, sale and distribution of medical marijuana and medical marijuana-infused products within the State of Colorado.

- (c) The use, distribution, cultivation, productions, possession and transportation of marijuana remains illegal under federal law, and marijuana is still classified as a "Level 1 Controlled Substance" under federal law. Nothing within this Ordinance is intended to promote or condone the production, cultivation, use, sale or distribution of Medical Marijuana other than in compliance with applicable State law.
- (d) This Ordinance is not intended to regulate retail marijuana businesses which are governed by a separate Town Ordinance No. 3, Series of 2017.
- (e) This Ordinance is to be construed to protect the interest of the public over marijuana business interests. Operation of a medical marijuana business establishment is a revocable privilege and not a right within the Town. There is no property right for an individual to have a business to sell marijuana within the Town of Dinosaur.
- (f) The purpose of this Ordinance is to implement the Medical Marijuana Amendment in a manner consistent with Title 12 of Article 43.3, C.R.S., to protect the health, safety and welfare of the residents and patients of the Town by prescribing the time, place and manner in which medical marijuana businesses may be operated within the Town. In addition, the purpose of this Ordinance is to:
 - (1) Provide for the safe sale of medical marijuana to persons legally permitted to obtain, possess and use marijuana for medical purposes in accordance with the Medical Marijuana Amendment.
 - (2) Protect public health and safety through reasonable limitations on business operations as they relate to noise, air quality, food safety, public safety, security for the businesses and their personnel, and other health and safety concerns.
 - (3) Impose fees in an amount sufficient to cover the direct and indirect cost to the Town of licensing and regulating medical marijuana establishments.
 - (4) Allow medical marijuana centers, medical marijuana optional premises cultivation facilities, and medical marijuana-infused product manufacturing facilities to operate in compliance with this Ordinance.
 - (5) Facilitate the implementation of the Medical Marijuana Amendment without going beyond the authority granted by such Amendment.

Section 2. Definitions. The following words and phrases used in this Ordinance shall have the following meanings unless the context clearly indicates otherwise:

Adjacent Grounds means all areas that the licensee has a right to possess by virtue of his/her ownership or lease, which are outside the enclosed licensed premises, but adjacent and contiguous to the licensed premises, including but not limited to porches, patios, decks, entryways, lawns, parking lots, and similar areas and all fixed and portable things in such areas, including but not limited lights, signs and security devices.

Business Manager means the individual designated by the owner of a medical marijuana business and registered with the Town as the person responsible for all operations of the business during the owner's absence from the business premises.

Character and Record includes all aspects of a person's character and record, including but not limited to, moral character; criminal record including serious traffic offenses; record of previous sanctions against liquor licenses, gambling licenses, medical marijuana licenses, or retail marijuana business licenses, which the person owns, in whole or in part, in which the person serves as a principal, manager, or employee; education, training, experience; civil judgments entered against the person; truthfulness, honesty; and financial responsibility. The conviction of any

person for an offense, shall not, in itself, be grounds for a finding of a bad character and record if such person demonstrates that he/she has been rehabilitated in accordance with Section 24-5-101, C.R.S. In the event the Local Licensing Authority considers information concerning the criminal history of a person, the Local Licensing Authority shall also consider any information provided by an applicant regarding such criminal history records, including but not limited to, evidence of rehabilitation, character references and educational achievements especially those items pertaining to the period of time between the last criminal conviction and the time of consideration of a license application.

Contiguous means located within the same building as the medical marijuana center or medical marijuana-infused products manufacturer, located in a separate building on the same parcel of land as the medical marijuana center or medical marijuana-infused products manufacturer, or located in a separate building on a separate parcel of land that is adjacent to and shares at least fifty percent (50%) of a common lot line with the lot on which the medical marijuana center or medical marijuana-infused products manufacturer is located.

Good Cause shall have the same meaning as set forth in Section 12-43.3-104(1), C.R.S.

Laws of the State of Colorado shall mean and include Section 14 of Article XVIII of the Colorado Constitution; the Colorado Medical Marijuana Code, Article 43.3 of Title 12, C.R.S.; other Colorado statutes, including but not necessarily limited to Section 18-18-406(3), C.R.S. and Section 25-1.5-106, C.R.S.; applicable regulations promulgated by the Colorado Department of Public Health and Environment and the State Licensing Authority; and all applicable final decisions of Colorado's appellate courts.

Licensed Premises means the premises specified in an application for a license pursuant to this Ordinance and the Colorado Medical Marijuana Code that is owned by or in possession of the Licensee, and within which the Licensee is authorized to cultivate, manufacture, distribute or sell medical marijuana in accordance with the provisions of this Ordinance and the Laws of the State of Colorado.

Licensee shall have the same meaning as set forth in Section 12-43.3-104(4), C.R.S.

Local Licensing Authority shall mean the Town Council of the Town of Dinosaur.

Medical Marijuana shall have the same meaning as set forth in Section 12-43.3-104(7), C.R.S.

Medical Marijuana Business shall mean a person holding a medical marijuana center license, as defined in Section 12-43.3-402, C.R.S.; a medical marijuana-infused products manufacturer license, as defined in Section 12-43.3-404, C.R.S.; and/or an optional premises cultivation operation license, as defined in Section 12-43.3-403, C.R.S. For the purposes of this Ordinance, a patient that cultivates, produces, possesses or transports medical marijuana or a primary caregiver that cultivates, produces, sells, distributes, possesses, transports, or makes available marijuana in any form to one or more patients shall not be deemed a "medical marijuana business".

Medical Marijuana Center shall have the same meaning as set forth in Section 12-43.3-104(8), C.R.S.

Medical Marijuana-Infused Products Manufacturer shall have the same meaning as set forth in Section 12-43.3-104(10), C.R.S.

Medical Use shall have the same meaning as is set forth in Article XVIII, Section 14(1)(b) of the Colorado Constitution, or as may be fully defined in any applicable State law or regulation.

Optional Premises Cultivation Operation shall have the same meaning as set forth in Section 12-43.3-104(12), C.R.S.

Patient shall have the same meaning as is set forth in Article XVIII, Section 14(1)(d) of the Colorado Constitution, or as may be more fully defined in any applicable State law or regulation.

Person means a natural person, partnership, association, company, corporation, limited liability company or organization, or a manager, agent, owner, director, servant, officer, or employee thereof.

Premises means a distinct definite location which may include a building, a part of a building, a room, or any other definite contiguous area.

Primary Caregiver shall have the same meaning as is set forth in Article XVIII, Section 14(1)(d) of the Colorado Constitution, or as may be more fully defined in any applicable State law or regulation.

Principal means:

- (a) in the case of any business entity, including any general or limited partnership, corporation, limited liability company or other entity, any person who has five percent (5%) or greater interest in the ownership of the entity and any person who has the day to day authority to or actually does manage the entity's financial affairs.
- (b) In the case of a corporation, the persons described for any entity described in subsection (1) above and the president, vice president, secretary, chief executive officer, chief financial officer, and any person who holds five percent (5%) or more of the capital stock of the corporation.
- (c) In the case of a limited liability company, the persons described for any such entity in subsection (1) above and any member of the limited liability company.
- (d) In the case of a sole proprietorship, the individual owner.

Retail Marijuana Establishment means a retail marijuana store, a retail marijuana cultivation facility, a retail marijuana products manufacturer, or a retail marijuana testing facility.

School means a public or private licensed preschool, or a public, private or charter elementary, middle, junior high or high school, vocational school, secondary school, community college, or other institution of higher education.

Serious Traffic Offense means any driving offense carrying eight (8) points or greater under Section 42-2-127, C.R.S. or the substantial equivalent of such events in any other state.

State Licensing Authority means the authority created by Section 12-43.3-201, C.R.S. for the purpose of regulating and controlling the licensing of the cultivation, manufacture, distribution and sale of medical marijuana in this State.

Unless defined in this Ordinance or the context clearly indicates otherwise, any word or term used in this Ordinance that is defined in Article XVIII, Section 14(1)(f) of the Colorado Constitution or in the Colorado Medical Marijuana Code shall have the same meaning that is ascribed to such word or term in the Colorado Constitution or in the Colorado Medical Marijuana Code.

Section 3. License Required.

- (a) It shall be unlawful for any person to operate a medical marijuana business without first having obtained a license to operate pursuant to the provisions of this Ordinance, having paid the fees therefor, as well as having obtained a license to operate from the State Licensing Authority. The licensing requirements apply to all medical marijuana businesses established after the effective date of this Ordinance.
- (b) Any person violating this Section commits a municipal offense punishable by up to ninety (90) days incarceration, up to a three hundred dollar (\$300.00) fine or by both such incarceration and fine. A person committing a violation shall be guilty of a separate offense for each day or part thereof during which the offense is

committed or continued to be permitted by such person and shall be punished accordingly.

- (c) Pursuant to the provisions of Article 43.3 of Title 12, C.R.S., medical marijuana businesses shall be licensed by the Town in one or more of the following categories:
 - (1) Medical Marijuana Center, as defined in Section 12-43.3-104(8), C.R.S. Such center shall meet all criteria and requirements of Section 12-43.3-402, C.R.S. as well as all other regulatory requirements applicable to medical marijuana centers set forth within this Ordinance, and within Article 43.3, Title 12, C.R.S., and the regulations promulgated thereunder
 - (2) Medical Marijuana-Infused Products Manufacturer, as defined in Section 12-43.3-104(8), C.R.S. Such business shall meet all criteria and requirements of Section 12-43.3-404, C.R.S., as well as all other regulatory requirements applicable to medical marijuana-infused products manufacturing set forth in this Ordinance and within the laws of the State of Colorado, and the regulations promulgated thereunder.
 - (3) Optional Premises Cultivation Operation, as defined in Section 12-43.3-403, C.R.S. Such cultivation operation shall meet all criteria and requirements of Section 12-43.3-404, C.R.S., as well as all other regulatory requirements applicable to optional premises cultivation operations set forth in this Ordinance and within the laws of the State of Colorado, and the regulations promulgated thereunder. An optional premises cultivation operation may not be located contiguous to the licensed premises of a medical marijuana center but may be located contiguous or not contiguous to a marijuana-infused products manufacturer's operation. An optional premises cultivation license may only be issued to a person who holds a medical marijuana center license or medical marijuana-infused products manufacturer license.
- (e) The licensing requirements set forth in this Ordinance shall be in addition to, and not in lieu of, any other licensing and permitting requirements imposed by any federal law, the laws of the State of Colorado, or local laws, including, but not by way of limitation, a business license, retail sales tax license, occupation tax license, retail food establishment license, or any applicable zoning permits or building permits.
- (f) No license for a medical marijuana business shall be finally issued by the Town until a license for such use, at the location designated in the application, has been issued by the State Licensing Authority.
- (g) The issuance of a license pursuant to this Ordinance does not create a defense, exception or provide immunity to any person in regard to any potential federal criminal liability the person may have for the production, distribution or possession of marijuana.
- (h) Every license issued under this Ordinance confers only a limited and conditional privilege subject to the requirements, conditions, and limitations of this Ordinance and State law. The license does not confer a property right of any kind. The license and the privilege created by the license may be further regulated, limited, or completely extinguished at the discretion of the Town Council or the electors of the Town, without any compensation to a licensee. Every license approved or issued under this Ordinance shall be subject to the future exercise of the reserved rights of referendum and initiative, exercise of the local option described in Section 12-43.3-106, C.R.S., and any other future ordinances adopted by the electors of the Town or the Town Council. Nothing contained in this Ordinance grants to any licensee any vested right to continue operating under the provisions of this Ordinance as they existed at the time the license was approved or issued and every license shall be subject to any ordinance or prohibition adopted after the license was approved or issued.

- (i) A separate license shall be required for each location from which a medical marijuana business is operated.
- (j) All medical marijuana business licenses issued by the Town shall be valid for a period of one (1) year from the date such license is issued. Renewal applications shall be filed at least forty-five (45) days prior to the expiration date of the existing license.
- (k) Licensees shall report each transfer or change of ownership interest, change in business manager, or change in principals or change in employees on forms provided by the Town Clerk. An application for a change of business manager shall be submitted to the Town Clerk at least thirty (30) days prior to any such change to provide necessary time for the background check and processing of the application pursuant to Section 14 of this Ordinance.

Section 4. Composition, Functions and Powers of Local Licensing Authority.

- (a) For the purpose of regulating and controlling the licensing of the cultivation, manufacture, distribution and sale of medical marijuana and medical marijuana products within the Town, there is hereby created the Medical Marijuana Local Licensing Authority of the Town of Dinosaur. The Town Council of the Town shall serve as the Local Licensing Authority.
- (b) The Local Licensing Authority shall have such powers and duties as are provided for in this Ordinance and the Colorado Medical Marijuana Code.
- (c) The Local Licensing Authority shall have the power to promulgate rules and regulations concerning applications for licenses and the procedure for hearings before the Local Licensing Authority.
- (d) The Local Licensing Authority shall have the power to require any applicant or licensee to furnish such information to the Authority as may be reasonably necessary in order for the Authority to perform the duties and functions authorized by this Ordinance.
- (e) The Local Licensing Authority shall have the power to administer oaths and issue subpoenas to require the presence of persons and the production of papers, books and records at any hearing which the Authority is authorized to conduct. Any subpoena shall be served in the same manner as a subpoena issued by a district court of the State. The Dinosaur Municipal Judge shall have the power and authority to enforce such subpoena.

Section 5. Limitation on the Number of Licenses That May Be Issued Within the Town. A maximum of four (4) medical marijuana center licenses, four (4) medical marijuana-infused products manufacturing licenses, and four (4) optional premises cultivation facilities shall be issued by the Dinosaur Medical Marijuana Local Licensing Authority. An application for renewal of an existing medical marijuana business license shall receive a preference over an application for a new medical marijuana license if the existing business has substantially met all of the requirements of this Ordinance and the Colorado Medical Marijuana Code during the previous license term and is in good standing.

Section 6. Issuance of Initial Licenses. On or before August 10, 2017, the Town Clerk shall publish and post a notice that the Town is accepting applications for medical marijuana establishment licenses. Said notice shall establish a deadline for the Town's acceptance of such applications. The Town Clerk shall initially review such applications for completeness. In the event the Town Clerk finds that an application is incomplete, the Town Clerk shall notify the applicant in writing of the application deficiencies and allow the applicant to correct such deficiencies within fifteen (15) days from the date of receiving such notice. The Town Clerk shall then forward the completed applications to the Dinosaur Local Licensing Authority for further processing and review. The Local Licensing Authority shall then finally determine the sufficiency of the license applications and the eligibility of the applicants to hold a medical marijuana

establishment license. If more valid license applications of the same classification are received by the Local Licensing Authority than authorized by Section 5 of this Ordinance, and therefore the Local Licensing Authority is not permitted to approve all of the sufficient applications reviewed because of the limitations set forth in Section 5 above, the Local Licensing Authority shall establish a date and time for selecting by lot the priority of the sufficient applications permitted by this Section. The Local Licensing Authority shall then proceed to issue the licenses applied for to the successful applicants.

Section 7. Permitted Locations. All medical marijuana establishment licenses shall be issued for a specific location which shall be designated as the licensed premises. Medical marijuana establishment licenses shall not be permitted in any Residential Zone District. Medical marijuana centers shall only be permitted in the Commercial Zone District. Optional premises cultivation facilities shall only be allowed in the Industrial Zone District. Medical marijuana-infused product manufacturing facilities shall only be allowed in the Industrial Zone District.

Section 8. Buffering Requirements. Medical marijuana establishments must satisfy the following minimum distance requirements from permitted uses. Prior to issuing a medical marijuana establishment license, the Local Licensing Authority shall confirm that the proposed licensed premises boundaries meet the following buffering requirements.

- (a) Distance from Schools. Medical marijuana establishments shall be located a minimum of one thousand feet (1,000') from schools, as measured from the nearest property boundary of such school uses to the boundaries of the proposed licensed premises.
- (b) Distance from Residential Childcare Facilities. Medical marijuana establishments shall be located a minimum of eight hundred feet (800') from licensed residential childcare facilities, as measured from the nearest property boundary of such childcare uses to the boundaries of the proposed licensed premises.
- (c) Distance from Parks. Medical marijuana establishments shall be located a minimum of eight hundred feet (800') from any public park, as measured from the nearest property boundary of such park to the boundary of the licenses premises.
- (d) Once the medical marijuana establishment license is issued, the Town will not preclude a school, residential child care facility or park from locating within a buffer zone. A medical marijuana establishment may then continue to operate at its present location. If a sensitive use later locates within the applicable buffer zone, however, the licensee does so at its own risk, and the issued license provides no protection or indemnification against enforcement of federal or other applicable laws prohibiting the operation of a medical marijuana establishment near a school or residential childcare facility.
- (e) No medical marijuana establishment shall be located in a movable or mobile vehicle or structure and no medical marijuana products shall be delivered in the Town unless such delivery is specifically permitted by Colorado law.

Section 9. General Licensing Conditions.

- (a) Except as specifically provided herein, the issuance of a license for a medical marijuana establishment by the Town shall be subject to compliance with all provisions of Article 43.3 of Title 12, C.R.S.
- (b) The license requirements set forth in this Ordinance shall be in addition to, and not in lieu of, any other licensing and permitting requirements imposed by any other federal, State or local law, including by way of example, a retail sales license, an occupation tax license, a retail food establishment license, or any applicable zoning, land use or building permits.
- (c) The issuance of a license pursuant to this Ordinance does not create a defense, exception or provide immunity to any person in regard to any potential criminal liability a person may have for the production, distribution or possession of

marijuana.

- (d) A separate license shall be required for each location from which a medical marijuana establishment is operated. A separate license shall be required for each specific business or business entity, for each geographical location and for each medical marijuana establishment co-located with a retail marijuana establishment.
- (e) The submission of an application for the issuance of a license under this Ordinance from the Town shall act as acknowledgement and agreement by the applicant or the licensee that the sale of marijuana continues to be subject to the control and jurisdiction of the federal government and actions taken by the federal government under the federal laws and regulations may limit or invalidate any license issued by the Town or the licensee's ability to own or operate a medical marijuana establishment in the Town.

Section 10. License Application Requirements.

- (a) Start Date. The Local Licensing Authority shall receive and process all applications for medical marijuana establishment licenses beginning on August 24, 2017.
- (b) Application Materials. An application for a medical marijuana establishment license shall be made on forms provided by the Town Clerk for such purposes. The applicant shall use the application to demonstrate its compliance with the provisions of this Ordinance and other applicable laws, rules or regulations. In addition to general information required of standard applications, the application shall require the following information:
 - (1) Name and address of the owner or owners of the proposed medical marijuana establishment and whose name the license is proposed to be issued
 - A. If the proposed owner is a corporation, then the application shall include the name and address of all officers and directors of the corporation, and of any person holding any financial interest in the corporation, whether as a result of the issuance of stock, instruments of indebtedness, or otherwise, including disclosure information pertaining to bank, savings and loan associations or other commercial lender which has loaned funds to the applicant.
 - B. If the proposed owner is a partnership, association or limited liability company, the application shall include the name and address of all partners, members, managers or persons holding any financial interest in the partnership, association or limited liability company, including those holding an interest as the result of instruments of indebtedness or otherwise including disclosure of information pertaining to a bank, savings and loan association, or other commercial lender which has loaned funds to the applicant.
 - C. If the owner is not a natural person, the application shall include copies of the organizational documents for all entities identified in the application and the contact information for the person that is authorized to represent the entity or entities.
 - (2) Name and address of the proposed business manager(s) of the medical marijuana establishment, if the business manager is proposed to be someone other than the owner, or if the owner is an entity rather than a natural person.
 - (3) A statement indicating whether any of the named owners, members, business managers, parties with a financial interest, or persons named on the application have been:

- A. Denied an application for a medical marijuana business license or retail marijuana establishment license pursuant to any state or local licensing law, rule or regulation, or had such license suspended or revoked.
 - B. Denied an application for a liquor license pursuant to Article 46 or 47 of Title 12, C.R.S., or by any similar State or local licensing law, rule, regulation or had such license suspended or revoked.
 - C. Convicted, entered a plea nolo contendere, or entered a plea of guilty in conjunction with a deferred judgment and sentence pertaining to any charge related to possession, use, or possession with intent to distribute narcotics, drugs or controlled substances.
 - D. Convicted, entered a plea of nolo contendere, or entered a plea of guilty in conjunction with a deferred judgment and sentence pertaining to any charge related to driving or operating a motor vehicle while under the influence or while impaired by alcohol or controlled substances.
 - E. Convicted, entered a plea of nolo contendere, or entered a plea of guilty in conjunction with a deferred judgment and sentence pertaining to any felony.
 - F. Convicted, entered a plea of nolo contendere, or entered a plea of guilty in conjunction with a deferred judgment and sentence pertaining to a serious traffic offense which means any driving offense carrying eight (8) points or greater under Section 42-2-127, C.R.S. or the substantial equivalent of such events in any other state.
- (4) Proof that the Applicant will have ownership or legal possession of the premises proposed for the medical marijuana establishment for the term of the proposed license. If the premises is not owned by the applicant, such proof of possession shall include a signed statement from the landlord or owner of the premises consenting to the use of the property for the purposes of operating a medical marijuana establishment.
- (5) Proof of Insurance as follows:
- A. Workers compensation insurance to cover obligations imposed by the Workers Compensation Act of Colorado and any other applicable laws for any employee engaged in the performance of work related to the operation of the medical marijuana establishment and
 - B. Comprehensive general liability insurance with minimum single limits of one million dollars (\$1,000,000.00) each occurrence and two million dollars (\$2,000,000.00) aggregate, applicable to all premises and operations.
- (6) An operating plan for the proposed medical marijuana establishment including the following information:
- A. A description of the products and services to be sold or provided by the medical marijuana establishment.
 - B. A dimensioned floor plan of the proposed premises clearly labeled, showing:
 - i. the layout of the structure and the floorplan in which the medical marijuana establishment will be located including information sufficient to prove compliance with ventilation,

security and other structural requirements contained therein;

- ii. the principle uses of the floor area depicted on the floorplan including but not limited to storage areas, retail sales areas and restricted areas where marijuana will be stored and located; and
 - iii. areas where any services other than the cultivation, distribution or sale of medical marijuana is proposed to occur on the licensed premises.
- (7) The maximum amount of medical marijuana or medical marijuana-infused products that may be on the business premises at any one time.
 - (8) A security plan indicating how the applicant will comply with the requirements of this Ordinance and any other applicable law, rule or regulation. The applicant may submit the portions of such security plan which include trade secrets or specialized security arrangements confidentially. The Town will not disclose the documents appropriately submitted under the Colorado Open Records Act, Sections 24-72-201 *et. seq.*, C.R.S. if they constitute confidential trade secrets or specialized security arrangements to any party other than law enforcement agencies, unless compelled to do so by court order. Any document that the applicant considers eligible for protection under the Colorado Open Records Act shall be clearly marked as confidential and the reasons for such confidentiality shall be stated on the document.
 - (9) A lighting plan showing the illumination of the outside area of the medical marijuana establishment for security purposes.
 - (10) A vicinity map drawn to scale, indicating within a radius of one-quarter (1/4) mile from the boundaries of the property upon which the retail marijuana establishment is to be located, the proximity of the property to any school, residential childcare facility, or public park.
 - (11) Fingerprints and personal histories for all owners and parties having a financial interest in the proposed medical marijuana establishment as defined in this Ordinance. All such individuals shall be subject to a criminal background check in conjunction with the license application and review.
 - (12) A plan for disposal of any medical marijuana or product that is not sold or is contaminated in a manner that protects any portion thereof from being possessed or ingested by a person or animal.
 - (13) A plan for ventilation that describes the ventilating systems that will be used to prevent any odor of marijuana from extending beyond the premises of the business. Carbon filtration is strongly encouraged by the Town.
 - (14) A description of all toxic, flammable or other materials regulated by the federal or State government that would have authority over the business if it was not a medical marijuana establishment, that will be used, kept or created at the medical marijuana establishment and the location where such materials will be stored.
 - (15) An application for a medical marijuana establishment license shall be accompanied by the application fee, license fee, criminal background fee, together with any other applicable fees that may be established by resolution of the Town Council. If the application is not approved, one-half (1/2) of the application fee and one-half (1/2) of the license fee shall be refunded to the applicant.

Section 11. Inspection Required. An inspection of the proposed medical marijuana establishment by the Town and the fire protection district shall be required prior to issuance of a license. Such inspection shall occur after the premises are ready for operation, but prior to the stocking of the business with any medical marijuana or marijuana-infused products, and prior to the opening of the business to the public. The purpose of the inspection is to verify that the business facilities are constructed and can be operated in accordance with the application submitted, the applicable requirements of this Ordinance, and any other applicable law, rule or regulation such as building codes.

Section 12. Issuance of License. The Dinosaur Local Licensing Authority shall not issue a medical marijuana establishment license until the inspection, background checks, and all other information available to the Town have been found to verify that the applicant:

- (a) Has submitted a full and complete application;
 - (1) Has made improvements to the business premises consistent with the application;
 - (2) Is prepared to operate the business with the owners and business managers as set forth in the application, all in compliance with the provisions of this Ordinance and any other applicable law, rule or regulation;
 - (3) Has paid all required fees; and
 - (4) Is otherwise in compliance with all other provisions of this Ordinance and any other applicable ordinances of the Town of Dinosaur and the Colorado Medical Marijuana Code.

Section 13. Application and License Fees.

- (a) Application and license fees for Medical Marijuana Businesses shall be as follows:

New license application for medical marijuana center	\$5,000.00 (1/2 of such license fee shall be refunded to applicant if application is withdrawn or if license is not issued by the Town)
New license application for optional premises cultivation operation	\$4,000.00 (1/2 of such license fee shall be refunded to applicant if application is withdrawn or if license is not issued by the Town)
New license for medical marijuana-infused manufacturing operation	\$4,000.00 (1/2 of such license fee shall be refunded to applicant if application is withdrawn or if license is not issued by the Town)
Renewal of existing medical marijuana business license	\$2,500.00
Transfer of Ownership	\$5,000.00

- (b) The Town Council, by resolution, may increase or decrease any fee or cost or otherwise modify any other provisions set forth in subsection (a). Any such increase, decrease or other modification shall be evidenced by an appendix to this Ordinance.
- (c) The primary purpose of the fees established in this Section is to defray the costs of the particular municipal services provided and not to defray the costs of general services provided by the Town or to raise general revenues. The fees provided in this Section are reasonably related and proportional to the costs of the services provided and do not generate additional net revenue.
- (d) If any license or application is denied, approved but not issued, lapsed, abandoned, or withdrawn, only one-half (1/2) of the license fee shall be refunded to the applicant.

Section 14. Procedures for Approval or Denial of License Application.

Within thirty (30) days following the date the Town Clerk certifies that a license application is complete, the Local Licensing Authority shall either approve the license application, deny the license application, or approve the license application with conditions. No public hearing shall be required. However, the Local Licensing Authority shall notify the applicant of the date and time the application will be considered. The applicant shall appear at such meeting and the applicant shall be permitted to address the Local Licensing Authority in support of the application. No application for a license authorized under this Ordinance shall be approved unless:

- (a) All applicable requirements of this Ordinance have been satisfied;
- (b) All applicable requirements of the Colorado Medical Marijuana Code have been satisfied;
- (c) All required licensee fees and associated costs have been paid by the applicant;
- (d) All other applicable requirements of the Town's ordinances have been met;
- (e) The applicant has obtained a State sales tax license, a Town sales tax license, if required, and has obtained an occupation tax license pursuant to Town ordinances;
- (f) The applicant is not in arrears in regard to any administrative fines, court fines, assessments, sales tax reporting and/or payment obligations, or fees owed to the Town of Dinosaur; and
- (g) No fraudulent, misrepresented or false statement of material or relevant fact is contained within the application or was made to the Local Licensing Authority.

Section 15. Issuance or Denial of Approval.

- (a) In determining whether to issue an approval of an application for possible granting of a license in accordance with Section 6, the Local Licensing Authority may consider the following:
 - (1) Whether the application is complete and signed by the applicant;
 - (2) Whether the applicant has paid the application fee and the annual license fee;
 - (3) Whether the application complies with all of the requirements of this Ordinance, the Colorado Medical Marijuana Code, and rules promulgated by the State Licensing Authority;
 - (4) Whether the application contains any material misrepresentations;
 - (5) Whether the proposed medical marijuana establishment complies with the Town's zoning ordinance. The Local Licensing Authority shall make specific findings of fact with respect to whether the building in which the proposed medical marijuana business will be located conforms to the distance requirements set forth in Section 8 of this Ordinance;
 - (6) The facts and evidence adduced as a result of its investigation as well as any other facts and any other pertinent matters affecting the qualifications of the applicant for the conduct of the type of business proposed;
- (b) The Local Licensing Authority may deny the approval of an application for good cause as defined in Colorado Medical Marijuana Code.
- (c) The Local Licensing Authority may impose reasonable conditions upon any license approval or renewal issued pursuant to this Ordinance.

- (d) After the initial granting of a medical marijuana business license, if such license becomes available for issuance to another licensee, the Town Clerk shall publish and post the availability of the license and assign priority by lot to each completed application approved by the Local Licensing Authority within thirty (30) days following action of the Local Licensing Authority.
- (e) No person, person affiliated with a business entity, or business entity shall own, operate, manage, control or hold any interest in more than one (1) medical marijuana center and one (1) optional premises cultivation facility in the Town.
- (f) The Local Licensing Authority shall issue its decision approving or denying the application within thirty (30) days following completion of the application investigation by Town staff. The decision shall be in writing, shall state the reasons for the decision, and a copy of the decision shall be mailed by certified mail to the applicant at the address shown on the application.
- (g) The Town Clerk shall not issue a certificate of approval nor notify the State Licensing Authority of final approval until the applicant has been issued a license by the Local Licensing Authority in accordance with the applicant's priority by lot, subject to issuance of a license by the State Licensing Authority.

Section 16. Conditions on Licenses.

At the time that a new license is first approved, or when an existing license is renewed, or at any time that a sanction other than revocation is imposed, or at any time the Local Licensing Authority approves a major change to a license, the Local Licensing Authority may impose on the license any conditions related to the license, licensed premises, or adjacent grounds, that are reasonably necessary to protect the public health, safety or welfare, including but not limited to the following:

- (a) Additional security requirements;
- (b) Additional record keeping requirements;
- (c) Limits and requirements on parking and traffic flows;
- (d) Requirements for walls, doors, windows, locks and fences on the licensed premises and adjacent grounds;
- (e) Limits on the number of patients who may patronize the establishment at one time;
- (f) Limits on medical marijuana-infused products that may be sold;
- (g) Requirements and limits on ventilation and lighting;
- (h) Limits on the products other than medical marijuana and medical marijuana-infused products that can be sold on the licensed premises such as drug paraphernalia;
- (i) Limits on noise inside the licensed premises or on the adjacent grounds;
- (j) Prohibitions on certain conduct in the licensed premises;
- (k) Limits on hours of operation that are more restrictive than prescribed by this Ordinance;
- (l) A requirement that the Licensee temporarily close the licensed premises to the public until certain changes, inspections or approvals are made; and
- (m) A limitation on the square footage of the licensed premises.

Section 17. Personal Requirements for the Licensee, Principals, Business Manager, Persons Holding a Financial Interest and Employees.

- (a) The applicant, principals, business manager, persons holding a financial interest in the business, and employees shall meet all requirements for the issuance of a license by the State Licensing Authority.
- (b) The applicant, principals, business manager and employees shall all be over the age of twenty-one (21) years.
- (c) The applicant, principals, business manager, persons holding a financial interest in the business, and employees have not been determined by any other medical marijuana licensing authority, any other licensing board within the State, or the State Licensing Authority to not be persons of good character and record within the preceding three (3) years.
- (d) The applicant, principals, business manager, persons holding a financial interest in the medical marijuana business and employees are presently persons of good character and record.
- (e) The applicant, principals, business manager, persons holding a financial interest in the medical marijuana business and employees have not discharged a sentence for any felony in the five (5) years immediately preceding the filing of a license application.
- (f) The applicant, principals, business manager, persons holding a financial interest in the medical marijuana business and employees have never been convicted of a felony or received a deferred judgment and sentence pursuant to State of federal law regarding the possession, distribution, or use of a controlled substance.
- (g) The applicant, principals, business manager, persons holding a financial interest in the medical marijuana business have not held an interest in any liquor license, medical marijuana license, retail marijuana license or other license issued by any municipality, county, or the State of Colorado that has been revoked, suspended, or fined within the preceding two (2) years.
- (h) The applicant, principals, business manager, persons holding a financial interest in the medical marijuana business, and employees have not had their authority, if any, to act as a primary caregiver revoked by the State of Colorado within the preceding two (2) years.
- (i) The applicant and principals are not in default on any municipal, county, State, or federal taxes, fees, fines or charges, do not have any outstanding warrants for their arrest, and do not have any outstanding liens or judgments payable to the Town of Dinosaur.
- (j) The applicant and principals do not have any orders or judgments against them for child support in default or in arrears.
- (k) The applicant and principals are not a sheriff, deputy sheriff, peace officers or prosecuting attorneys, or an employee of the State licensing authority.
- (l) The applicant and principals are not licensed physicians who recommend medical marijuana to patients.

Section 18. Special Restrictions and Requirements-General.

- (a) No medical marijuana establishment shall be located in a movable or mobile vehicle or structure and no medical marijuana products shall be delivered in the Town unless such delivery is specifically permitted by Colorado law.

- (b) No Products to be Visible from Public. Marijuana plants, products, accessories, and associated paraphernalia contained in a medical marijuana business shall not be visible from a public sidewalk, public street or right-of-way, or any other public place, or any portions of the building not restricted to patients only.
- (c) No Beer or Alcohol on Premises. No fermented malt beverages and no alcohol beverages, as defined in the Colorado Beer Code and the Colorado Liquor Code, respectively, shall be kept, served or consumed on the premises of a medical marijuana business, except for marijuana tinctures.
- (d) Hours of Operation. Medical marijuana centers may only be open to the public between the hours of 10:00 a.m. and 8:00 p.m. daily and no sale or other distribution of medical marijuana may occur upon the premises outside of these hours. A licensed medical marijuana optional premises cultivation facility may deliver medical marijuana or marijuana products to medical marijuana centers on any day and at any time except between the hours of 9:00 p.m. and 7:00 a.m. Medical marijuana optional premises cultivation facilities and medical marijuana-infused product manufacturing facilities may conduct business operations on the licensed premises at any time.
- (e) Restrictions Regarding Signage. All signage associated with a medical marijuana business shall meet the standards established in the Dinosaur Town Ordinances. In addition, no sign associated with a medical marijuana business shall use the word "marijuana", "cannabis", or any other word or phrase commonly understood to refer to marijuana unless such word or phrase is immediately preceded by the word "medical" or the message of such sign includes the words "for medical use" or "for medicinal purposes" in letters that are no smaller than the largest letter on the sign. No depiction of marijuana plants or leaves shall appear on any exterior sign of a medical marijuana business.
- (f) Storage of Products. All products and accessories shall be stored completely indoors and on-site out of public view.
- (g) Restrictions on Location of Transactions. All transactions involving medical marijuana shall occur indoors and out of view of the public.
- (h) Consumption of Marijuana Prohibited. No consumption of any medical marijuana product shall be allowed or permitted on the licensed premises or adjacent grounds.
- (i) Underage Persons Prohibited. No person under the age of eighteen (18) years shall be permitted in the licensed premises unless accompanied by a parent or legal guardian. No person shall be allowed entry into the business premises without showing a valid photo identification in accordance with the requirements of the Colorado Medical Marijuana Code.
- (j) Gun Sales and Pawn Shop Activities Prohibited. No gun sales or pawn shop activities shall be permitted on the licensed premises.
- (k) Storage of Currency. All currency over \$1,000.00 shall be stored within a separate vault or safe (no marijuana in safe), securely fastened to a wall or floor, as approved by the Marshal's Office.
- (l) Prevention of Emissions, Odor Control. Sufficient measures and means of preventing smoke, odors, debris, dust, fluids and other substances from exiting the licensed premises shall be provided at all times. In the event that any debris, dust, fluids or other substances shall exit the licensed premises, the landowner and licensee shall be jointly and severally responsible for the full cleanup immediately. The medical marijuana business shall properly dispose of all materials and other substances in a safe and sanitary manner. The odor of marijuana must not be perceptible at the exterior of the building containing the licensed premises or at any adjoining use of the property. Medical marijuana optional premises cultivation facilities must implement appropriate ventilating and filtration systems to satisfy

this odor nuisance standard. Medical marijuana centers and medical marijuana-infused product manufacturing facilities are not required to install filtration equipment on the licensed premises but must satisfy these odor threshold requirements. While the Town does not mandate any particular equipment specifications with regard to filtration, all medical marijuana centers are strongly encouraged to adopt best management practices with regard to implementing state of the art technologies in mitigating marijuana odor, such as air scrubbers and charcoal filtration systems.

- (m) Compliance with Other Codes. The licensed premises and adjacent grounds of a medical marijuana business shall comply with all zoning, health, building, electrical, mechanical, fire, and other codes and ordinances of the Town as shown by completed inspections and approvals by the Town and Fire Department.
- (n) No Harm to Public Health, Safety and Welfare. The licensed premises and adjacent grounds of a medical marijuana business shall be operated in a manner that does not cause any substantial harm to the public health, safety and welfare.
- (o) Prior to initiating a sale, the employee of a medical marijuana center making the sale shall verify that the purchaser has a valid photo identification card showing the purchaser is eighteen (18) years of age or older. If a person under eighteen (18) years of age presents a fraudulent proof of age, any action relying on the fraudulent proof of age shall not be grounds for the revocation or suspension of any license issued under this Ordinance. If a medical marijuana center licensee or employee has reasonable cause to believe that a person is under eighteen (18) years of age and is exhibiting fraudulent proof of age in an attempt to obtain any medical marijuana or marijuana infused products, the licensee or employees are authorized to confiscate such fraudulent proof of age, if possible, and shall, within seventy-two (72) hours after the confiscation, remit the same to a State or local law enforcement agency. The failure to confiscate such fraudulent proof of age or to remit the same to a State or local law enforcement agency within seventy-two (72) hours after the confiscation does not constitute a criminal offense. If a medical marijuana center licensee or employee believes that a person is under eighteen (18) years of age and is exhibiting fraudulent proof of age in an attempt to obtain any medical marijuana or medical marijuana-infused products, the licensee or employee or any peace officer, acting in good faith and upon probable cause based upon reasonable grounds therefor, may detain and question such person in a reasonable manner for the purpose of ascertaining whether a person is guilty of any unlawful act regarding the purchase of retail marijuana. The questioning of a person by the licensee or an employee does not render the licensee, the employee, or the peace officer civilly or criminally liable for slander, false arrest, false imprisonment, malicious prosecution, or unlawful detention.
- (p) The medical marijuana establishment shall not maintain any quantity of marijuana within the licensed premises in excess of the amount stated on the license application to the Town.
- (q) It shall be unlawful for any medical marijuana establishment to employ any person who is not at least twenty-one (21) years of age. All business managers and employees of any licensee shall possess a valid occupational license and identification badge issued by the State of Colorado.
- (r) All retail marijuana sold or otherwise distributed by the licensee shall be packaged and labeled in a manner that advises the purchaser that it contains marijuana, specifies the amount of marijuana in the product, and that the marijuana is intended for use solely by a person lawfully entitled to possess medical marijuana. The label shall be in compliance with all applicable requirements of the State of Colorado.
- (t) No firearms, knives, or other weapons shall be permitted in a medical marijuana center except those carried by sworn peace officers, those persons having concealed weapons permits, and those carried by security personnel hired by the medical marijuana establishment.

- (u) The Dinosaur Town Marshal or other appropriate Town employee shall report to the Town Clerk all violations of this Ordinance and other applicable State and local laws and the Town Clerk shall maintain a record of each license issued and record the reports of the violations in such records.

Section 19. Specific Requirements for a Medical Marijuana Center.

- (a) Every person selling medical marijuana shall sell only medical marijuana grown in its medical marijuana optional premises licensed pursuant to this Ordinance. In addition to medical marijuana, a medical marijuana center may sell no more than six (6) immature plants to a patient; except that a medical marijuana center may sell more than six (6) immature plants, but may not exceed half (1/2) the recommended plant count, to a patient who has been recommended an expanded plant count by his or her recommending physician. A medical marijuana center may sell immature plants to a primary caregiver, another medical marijuana center, or medical marijuana-infused product manufacturer pursuant to rules promulgated by the State Licensing Authority. Notwithstanding these requirements, a medical marijuana center licensee may purchase not more than thirty percent (30%) of its total on-hand inventory of medical marijuana from another licensed medical marijuana center in Colorado. A medical marijuana center may sell no more than thirty percent (30%) of its total one hand inventory to another Colorado medical marijuana licensee, except as otherwise permitted by State law.
- (c) Small samples of medical marijuana products offered for sale may be displayed on shelves, counters and display cases in areas restricted to patients and primary caregivers. All bulk marijuana products shall be locked within a separate vault or safe (no other items in this safe), securely fastened to a wall or floor, or in a safe room as approved by the Marshal's Office.
- (d) A medical marijuana center may sell "drug paraphernalia" as that term is defined in Section 18-18-426, C.R.S. to patients only and shall be exempt from the prohibitions contained that Statute.

Section 20. Specific Requirements for Optional Premises Cultivation Operation License.

- (a) Cultivation of medical marijuana shall only be permitted inside a building.
- (b) The applicant shall also hold a medical marijuana center license or a medical marijuana-infused products manufacturer's license.
- (c) The area of the proposed licensed premises utilized for cultivation shall be sufficiently separated from the area of the premises open to the public or to patients, and primary caregivers, or a negative air pressure system shall be installed, to prevent pesticides, fertilizers, and other chemicals, artificial and natural, from moving into the ambient air in the area open to the public, Patients, and primary caregivers or any adjacent building or premises, and such separation or negative air pressure system shall be approved by the Fire Department and the Building Official.
- (d) If carbon dioxide will be used in the cultivation area in the proposed licensed premises, sufficient physical barriers or a negative air pressure system shall be in place to prevent carbon dioxide from moving into the ambient air in any area open to the public or to patients or in any adjacent building or premises in a concentration that would be harmful to any person, including persons with respiratory disease, and shall be inspected and approved by the Fire Department and Building Official.
- (e) Walls, barriers, locks, signage and other means shall be employed to prevent the public or patients and primary caregivers from entering the area of the licensed premises utilized for cultivation of marijuana.

- (f) Disposal of unwanted marijuana by-products shall be done in accordance with procedures approved by the Marshal's Office.

Section 21. Specific Requirements for a Medical Marijuana-Infused Products Manufacturer's License.

- (a) The applicant shall have contract with a medical marijuana center, stating the type and quantity of medical marijuana-infused products that the medical marijuana center will buy from the licensee.
- (b) A medical marijuana-infused products manufacturer may cultivate its own medical marijuana if it obtains a medical marijuana optional premises cultivation facility license, or it may purchase medical marijuana from a licensed medical marijuana center pursuant to Section 19 above. A medical marijuana-infused products manufacturer shall track all of its medical marijuana from the point it is either transferred from its medical marijuana optional premises cultivation facility or the point when it is delivered to the medical marijuana-infused products manufacturer from a licensed medical marijuana center or a licensed medical marijuana optional premises cultivation facility to the point of transfer to a licensed medical marijuana center.
- (c) Medical marijuana-infused products shall be prepared on a licensed premises that is used exclusively for the manufacture and preparation of medical marijuana-infused products and using equipment that is used exclusively for the manufacture and preparation of medical marijuana-infused products.
- (d) A medical marijuana-infused products licensee shall have a written agreement or contract with a medical marijuana center licensee, which contract shall at a minimum set forth the total amount of medical marijuana obtained from medical marijuana center licensee to be used in the manufacturing process, and the total amount of medical marijuana-infused products to be manufactured from the medical marijuana obtained from the medical marijuana center. A medical marijuana-infused products licensee shall not use medical marijuana from more than five (5) different medical marijuana centers in the production of one (1) medical marijuana-infused product. The medical marijuana-infused products manufacturing licensee may sell its products to any licensed medical marijuana center.
- (e) All licensed premises on which medical marijuana-infused products are manufactured shall meet the sanitary standards for medical marijuana-infused products preparation promulgated under State law.
- (f) The medical marijuana-infused product shall be sealed and conspicuously labeled in compliance with State law and any rules promulgated thereunder.
- (g) Medical marijuana-infused products may not be consumed on a premises licensed pursuant to this Ordinance.
- (h) A medical marijuana-infused products licensee that has an optional premises cultivation license shall not sell any of the medical marijuana that it cultivates except for the medical marijuana that is contained in medical marijuana-infused products.
- (i) A medical marijuana-infused products licensee may not have more than five hundred (500) medical marijuana plants on its premises or at its optional premises cultivation facility, except as otherwise permitted under State law.

Section 22. Renewal of Medical Marijuana Business License.

- (a) A licensee may renew its medical marijuana business license by submitting an application to the Town Clerk at least forty-five (45) days before and not more than ninety (90) days before the expiration of the license. If a Licensee fails to file an

application for renewal of its license at least forty-five (45) days before expiration of the license, the license shall expire.

- (b) A licensee may renew a license that has expired if:
 - (1) The license has expired for less than ninety (90) days; and
 - (2) The licensee pays the regular renewal fee and an additional five hundred dollars (\$500.00) late renewal fee.
- (c) In the event an application for renewal has been filed at least forty-five (45) days before the expiration of the previous license, but the Local Licensing Authority does not rule on the application for renewal before the expiration of the previous license, the previous license shall be deemed extended until the Local Licensing Authority issues a decision on the application for renewal, but in no event may the license be extended for more than ninety (90) days.
- (d) The Local Licensing Authority may renew a license without a public hearing. However, if the Local Licensing Authority believes there may be good cause to deny the application for renewal, the Local Licensing Authority shall hold a public hearing on the application. The licensee shall have an opportunity to be heard at the hearing and shall be given at least fifteen (15) days advance written notice of the date and time of the public hearing on the application for renewal.

Section 23. Major Changes to Medical Marijuana Business License or Licensed Premises Requiring Approval of the Local Licensing Authority.

- (a) A Licensee shall not make any of the following changes without first obtaining written approval of the Local Licensing Authority:
 - (1) Any transfer of the license or any ownership interest in the licensee's business entity or license;
 - (2) Any change in the location of the licensed premises;
 - (3) Any change in the licensee's principals or employees;
 - (4) The hiring, substitution, resignation, replacement or termination of the business manager(s);
 - (5) Any change in the ownership of any of the stock of licensee's corporation;
 - (6) Any change in the structure, ventilation system, plumbing system, electrical supply system, floor plan, safe or vault, locks, surveillance system, or security system at the license premises;
 - (7) Any material change to the adjacent grounds, including but not limited to, lighting, parking, or fences; and
 - (8) Any material change in the operation from the operational plan submitted at the time the license was approved.
- (b) The Local Licensing Authority may summarily approve any of the above changes or hold a public meeting on the same, in the Local Licensing Authority's discretion. Notice of the meeting shall also be provided to the applicant at least ten (10) days prior to the public meeting.
- (c) A licensee shall report each major change described in this Section to the Local Licensing Authority at least thirty (30) days prior to the change to allow sufficient time for the Local Licensing Authority to review the proposed change.

- (d) The transfer of a license to a new owner shall comply with the requirements of Section 12-43.3-309, C.R.S. The transferring of a license or ownership interest in a license takes the transfer of such license or interest subject to the conditions, history, record, and sanctions imposed on that license under the previous ownership of the license.
- (e) A new owner shall be required to pay the transfer of ownership fee described in Section 13 of this Ordinance.

Section 24. Reports of Minor Changes.

Every licensee shall report the following to the Local Licensing Authority in the writing within ten (10) days of such event:

- (a) Any change in a person's financial interest in licensee's business, the licensed premises, or adjacent grounds;
- (b) Any charges filed against or any conviction of any principal, business manager, or employees for any felony, misdemeanor, or serious traffic offense including but not limited to any deferred judgment and sentence ordered or supervised by a court of law; and
- (c) Any change to any sign on the licensed premises or adjacent grounds.

Section 25. Books and Records.

- (a) Every licensee shall maintain on the licensed premises at any time that any person is present on the licensed premises accurate and up to date books and records of the business operations of the licensee or an authentic copy of the same, including but not limited to the following:
 - (1) All books and records required to be maintained by the Colorado Medical Marijuana Code and the regulations promulgated thereunder;
 - (2) Lists, manifests, orders, invoices, and receipts for all marijuana, marijuana plants, and medical marijuana-infused products cultivated, harvested, processed, delivered, purchased, stored, sold, and exchanged during the preceding two (2) years by each transaction or event, including the date, source, strain, type, quantity, weight, and purchaser;
 - (3) An inventory of all marijuana and medical marijuana-infused products presently on the licensed premises;
 - (4) Sales and occupation taxes collected and paid;
 - (5) The name, address, and a copy of each purchaser's medical marijuana registry card for every patient who has registered the medical marijuana center as his or her primary center or who has purchased medical marijuana, marijuana plants or medical marijuana-infused products at the licensed premises;
 - (6) The written recommendation of any physician who has recommended that a patient registered with the medical marijuana center needs more than two (2) ounces of medical marijuana and six (6) marijuana plants to address the patient's debilitating medical condition;
 - (7) The name, address and a copy of the medical marijuana license of any other medical marijuana facility licensee with whom the licensee has transacted any business, including but not limited, to any purchase, sale, or exchange of marijuana plants, harvested marijuana or medical marijuana-infused products; and

- (8) Copies of the medical marijuana registry card of a homebound patient and the waiver from the State of Colorado authorizing a primary caregiver to purchase medical marijuana for the homebound medical marijuana patient and transport the same to the homebound patient.
- (b) The licensee shall separate or redact any information showing a patient's debilitating medical condition from the above records.

Section 26. Right of Entry; Audit of Records.

- (a) The Town may require an audit of the books of account and records of the medical marijuana establishment as it may deem necessary. Such audit shall be made by an auditor selected by the Town, who shall have access to all books and records of such licensee. The expense of any audit determined to be necessary by the Town shall be paid by the Town; provided, however, should the audit reflect a failure of the licensee, in whole or in part, to timely remit all sales taxes or occupation taxes due to the Town, the expense of the audit shall be paid by the licensee.
- (b) The acceptance of a medical marijuana establishment license from the Town constitutes consent by the licensee, owners, business managers and employees of such business to permit the Mayor, Town Marshal, or their representatives to conduct routine inspections of the licensed medical marijuana establishment to assure that the medical marijuana establishment and the premises are being operated and maintained in accordance with the terms set forth in the application and that all operations in the premises remain in compliance with this Ordinance, the Colorado Medical Marijuana Code, and any rules or regulations promulgated thereunder.
- (c) All medical marijuana establishments shall be required to obtain applicable State and Town licenses and shall collect and remit all applicable State, County and Town sales taxes or occupation taxes in a timely manner. The medical marijuana business license, sales tax license, and occupation tax license for the business shall be conspicuously posted in the business.

Section 27. Suspension and Revocation of License.

- (a) In accordance with Section 12-43.3-601, C.R.S., as contained in the Colorado Medical Marijuana Code, and the rules and regulations promulgated thereunder, the Local Licensing Authority shall have the power, on its own motion or on complaint, after investigation and opportunity for a public hearing at which the Licensee shall be afforded an opportunity to be heard, to suspend or revoke a medical marijuana business license issued by the Local Licensing Authority. The Local Licensing Authority shall have the power to administer oaths, and issue subpoenas to require the presence of persons and the production of papers, books, and records necessary to the determination of the hearing. Subpoenas shall be enforced by the Dinosaur Municipal Court. The procedure for imposing such disciplinary actions shall be in accordance with Section 12-43.3-601, C.R.S.
- (b) The Local Licensing Authority may suspend or revoke a medical marijuana business license for a violation by the Licensee or by any of the agents or employees of the Licensee of the following:
 - (1) Any of the provisions of the Colorado Medical Marijuana Code or the rules and regulations promulgated thereunder;
 - (2) Good cause as defined in subsection (1) of Section 12-43.3-104, C.R.S., as contained in the Colorado Medical Marijuana Code;
 - (3) Violation of any of the provisions set forth in this Ordinance;

- (4) The Licensee has failed to pay the annual medical marijuana license and application fees, annual business license fee or occupation and sales taxes due and owing;
 - (5) The Licensee has made any false statement in the application for a license or renewal thereof as to any of the facts required to be stated in such application;
 - (6) The Licensee has failed either to file the required reports or to furnish such information, and records as required by this Ordinance;
 - (7) Violation of any condition imposed by the Local Licensing Authority on the issuance of the license;
 - (8) Any facts or condition exist which, if it had existed or had been known to exist, at the time of the application for such license or renewal thereof, would have warranted the Local Licensing Authority in refusing originally to issue such license or renewal thereof;
 - (9) The licensee has failed to maintain the licensed premises in compliance with the requirements of Town ordinances or any building, electrical or mechanical code provision applicable to the licensed premises; or
 - (10) The licensee, or any of the agents or employees of the licensee, have violated any Ordinance of the Town or any State law on the licensed premises or have permitted such a violation on the licensed premises by any other person.
- (c) Except in the case of an emergency suspension, a suspension of a license shall not be for a period longer than six (6) months. Payment of fines in lieu of suspension, as authorized by the Colorado Medical Marijuana Code, shall not be permitted for suspensions ordered by the Local Licensing Authority.
- (d) Any final decision of the Local Licensing Authority suspending or revoking a medical marijuana business license, following a hearing as permitted in this Section, may be appealed to the Moffat County District Court within thirty (30) days following the date of such decision pursuant to the provisions of Rule 106(a)(4), Colorado Rules of Civil Procedure.

Section 28. Any provisions contained in other Town ordinances in conflict herewith are hereby repealed.

Section 29. This Ordinance is necessary to protect the public health, safety and welfare of the residents of the Town of Dinosaur and covers matters of local concern or matters of mixed State and local concern as provided by Section 12-43.3-101, C.R.S.

Section 30. Compliance with Other Applicable Laws. Except as may be otherwise provided in this Ordinance, or rules or interpretations adopted by the Town, any law or regulation adopted by the State of Colorado governing the cultivation, production, possession, or distribution of medical marijuana shall also apply to medical marijuana establishments licensed within the Town. Provided, however, if a State law or regulation permits what this Ordinance prohibits, this Ordinance shall control.

Section 31. Violations; Penalty. Any person who violates any provision of this Ordinance shall be deemed guilty of a municipal offense and may be punished by a fine not to exceed three hundred dollars (\$300.00), imprisonment for a period not to exceed ninety (90) days, or by both such fine and imprisonment.

Section 32. Severability. If any provision of this Ordinance is found to be unconstitutional, invalid or unlawful, by a court of competent jurisdiction, such finding shall only invalidate that part or portion found to violate the law. All other provisions shall be deemed severable and shall continue in full force and effect.

INTRODUCED, READ, PASSED, ADOPTED, AND ORDERED PUBLISHED at a regular meeting of the Town Council of the Town of Dinosaur, Colorado held on June 13, 2017.

TOWN OF DINOSAUR, COLORADO

By: Richard Blakley
Richard Blakley, Mayor

ATTEST:

Tamara Long
Tamara Long, Town Clerk

Publication Date:

June 22, 2017

Trustee Karren introduced, read and moved the adoption of the ordinance titled,

AN ORDINANCE OF THE TOWN OF DINOSAUR, COLORADO
AUTHORIZING THE ESTABLISHMENT OF MEDICAL MARIJUANA
BUSINESS ESTABLISHMENTS; PROVIDING FOR THE LICENSING OF
SUCH MEDICAL MARIJUANA BUSINESS ESTABLISHMENTS; AND
SETTING FORTH THE OPERATIONAL REQUIREMENTS OF MEDICAL
MARIJUANA BUSINESSES.

and upon adoption that it be published pursuant to law and recorded in the Book of Ordinances.

Trustee Winkler seconded the motion. On roll call, the following Trustees voted "Aye":

Darcie Rocque, Toby Cortez, David Heinrich, Richard A. Blakley, Charles Winkler,

Janice Karren, Debra Bird.

Trustees voted "Nay":

None.