### Title 5

## **BUSINESS LICENSES AND REGULATIONS**

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# Chapter 5.02

## **BUSINESS AND OCCUPATION LICENSES**

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<u>5.02.010</u> <u>License Required.</u> No person, partnership, association or corporation, or any officer, director or agent thereof, shall conduct, carry on or engage in any business, occupation, avocation or calling, for which a general business license is required in the Town of Dinosaur without first obtaining a license and paying a fee therefor.

(Ord. 3, §1, 1947; Amended Ord. 66; Amended Ord. 85, §1, 1995)

<u>5.02.020</u> Term of License. A general business license shall be issued for a period beginning on January 1 and ending on December 31 of each year. A temporary business license may be issued for a period not to exceed ten (10) days. In the event the business or occupation is commenced after January 1, a license shall be obtained within ten (10) days of commencing

such activity. No license may be assigned or transferred, nor may any license authorize any other person or entity to do business or act under the terms of the license.

(Ord. 3, §5, 1947; Amended Ord. 66; Amended Ord. 85, §2, 1995)

<u>5.02.030</u> <u>License Fee.</u> The annual fee for a business license shall be twenty-five dollars (\$25.00). In the event the license is obtained after January 1, the entire amount of the fee shall be due regardless of when such activity was commenced. The fee for a temporary license shall be ten dollars (\$10.00) per day.

(Ord. 3, §1, 1947; Amended Ord. 66; Amended Ord. 85, §3, 1995)

5.02.040 Applicability. A general business license shall be required for any business, trade, occupation, profession, avocation or calling which is engaged in for the purpose of making a profit, whether or not a profit is actually made, within the Town of Dinosaur. Such general business license shall not apply to an activity that is exempt by virtue of State or federal law, or if subject to a similar license requirement under the Municipal Code of the Town of Dinosaur, such as a retail marijuana business license, or to an activity as an employee of a governmental entity, or of another person or entity who has obtained a business license.

(Ord. 66; Amended Ord. 85, §4, 1995)

<u>5.02.050</u> Issuance of License. Any person, partnership, association or corporation desiring to obtain a general business license to conduct or carry on any activity for which a license is required shall apply for such license with the Town Clerk on forms prescribed by the Clerk.

(Ord. 3, §4, 1947; Amended Ord. 66; Amended Ord. 85, §5, 1995)

### 5.02.060 Classification of Activity.

- A. Every party conducting a business or occupation in more than one (1) store, stand or other place of business, shall obtain a separate license for each place of business, unless such places of business are contiguous to each other, communicate directly with and open to each other, and are operated as a unit. A business may be transferred from one (1) location to another without obtaining an additional license.
- B. Every party engaged in more than one (1) business classification shall obtain a license for each activity engaged in.
- C. A general business license shall be required for each business classification including:
  - Temporary Lodging
     Mail order sales

- Convenience Store (with or without gas pumps)
   Child care (if license is required by Dept. of Social Services)
   Convenience Store (with or without gas pumps)
  - Grocery Store General maintenance/janitorial services
- PharmacyPawn shop
- Gasoline sales/vehicular
   Financial services
   service
- Liquor store
   Business or professional office
- Restaurant
   Storage yard
- Mobile home or recreation Shop for blacksmith, wood vehicle park/sales/service working, metal working, glazing, machining, printing
- Retail sales
   Taxidermy
- Wholesale sales
   Laundry/dry cleaning
- Propane gas sales and Manufacturing/Assembly / delivery Processing/Packaging
- Utility Street vendor
- Door to door sales

   Appliance/machinery /
  electronic repair and service
- D. The Town Clerk shall initially determine the classification of the business, occupation, avocation or calling, and whether one or more business licenses is required by the terms of this Chapter. In the event the Town Clerk cannot make such determination, or in the event an applicant disagrees with the determination of the Town Clerk, the Town Council shall make the necessary determinations. Any appeal to the Town Council by a person or an entity aggrieved by a decision of the Town Clerk shall be made in writing within fifteen (15) days of the determination by the Town Clerk. All final determinations by the Town Council shall be only made following at least ten (10) days written notice to the appellant and an opportunity to be heard.

(Ord. 66; Amended Ord. 85, §6, 1995)

<u>5.02.070</u> <u>License to be Displayed.</u> All business licenses shall be prominently displayed at the place where the licensee is conducting the business, occupation, avocation or calling, and shall be visible to the general public.

5.02.080 Revocation of License. The Town Council may revoke any business license issued under the provisions of this Chapter upon a determination that the licensee has engaged in fraud or misrepresentation while engaging in the business activity, or upon a determination that the licensee is not authorized to engage in the activity under the laws of the State of Colorado. A license shall only be revoked following ten (10) days written notice to the licensee and a hearing on such revocation. The hearing shall be conducted, as nearly as practical, in accordance with the provisions of the Colorado Administrative Procedures Act.

(Ord. 66; Amended Ord. 85, §8, 1995)

<u>5.02.090</u> Non-Profit Organizations-Exemption. The Town Council may, in its discretion, reduce or waive any license fee for any activity conducted by a charitable, governmental or religious organization.

(Ord. 66; Amended Ord. 85, §9, 1995)

<u>5.02.100</u> <u>Enforcement.</u> In the event any person, partnership, association or corporation fails to obtain a license as required by this Chapter, the Town of Dinosaur may file an action in any court of competent jurisdiction to enforce the terms of this Chapter, including the payment of the license fee, and shall have the right to obtain an injunction compelling such party to obtain the required license prior to further engaging in a business activity.

(Ord. 66; Amended Ord. 85, §10, 1995)

5.02.110 Penalties. Any person, partnership, association or corporation, or any officer, director or agent thereof, who violates any provisions of this Chapter commits a municipal offense. Said offense shall be punishable by a fine of not less than ten dollars (\$10.00) nor more than one hundred dollars (\$100.00) for each violation. A separate and distinct offense shall be deemed to have been committed for each day on which any violation of this Chapter shall continue.

(Ord. 3, §6, 1947; Amended Ord. 66; Amended Ord. 85, §11, 1995)

### Chapter 5.06

### LICENSED LIQUOR ESTABLISHMENTS-REQUIREMENTS

### Sections:

5.06.010	Definitions.
5.06.020	Delegation of Authority to Town Clerk.
5.06.030	Distance Limitations.
5.06.040	Special Event Permits.
5.06.050	Alcoholic Beverage Tastings.
5.06.060	General Penalty Guidelines for Violations.
5.06.070	Penalty Guidelines for Violations Involving Compliance Check.
5.06.080	Unlawful Acts.
5.06.090	Festival Permits.

<u>5.06.010</u> <u>Definitions.</u> The following words, terms and phrases, when used in this Chapter, shall have the meanings ascribed to them in this Section, except where the context clearly indicates a different meaning. Terms shall have the same meaning as defined in Section 44-3-103, C.R.S.

"Manager" means any person who manages, directs, supervises, oversees or administers an establishment and its employees preparing, selling, serving or otherwise providing alcohol beverages for consumption on the premises pursuant to a tavern or hotel restaurant license issued thereof.

"Offense" or "violation" means any violation by the licensee or by any of the agents, servants, or employees of such licensee of the provisions of Title 44, Articles 3 and 4, C.R.S., or any of the rules and regulations authorized pursuant to said articles, or of any terms, conditions, or provisions of the license issued by the Local Licensing Authority, as determined by a court of competent jurisdiction, or as determined by the State Licensing Authority or the Local Licensing Authority, following an opportunity for a hearing as provided by law.

"Server" means any person who is employed by a licensee to prepare, serve, sell or otherwise provide alcohol beverages pursuant to a tavern license or hotel restaurant license.

"Tastings" mean the sampling of malt, vinous or spirituous liquors that may occur on the premises of a retail liquor store licensed or liquor-licensed drugstore licensee by adult patrons of the licensee pursuant to the provisions of Section 44-3-301(10), C.R.S. and Section 5.06.050.

### 5.06.020 Delegation of Authority to Town Clerk.

A. As set forth below, the Town Clerk is authorized to administratively review and approve changes to managers; special event permits; and local festival permits.

- 1. <u>Changes of Manager</u>. The Town Clerk may administratively approve an application for a change of a manager for a licensed establishment where, after reasonable investigation and consultation with the Dinosaur Marshal Department and other appropriate agencies, all of the following circumstances are found to exist:
  - a. The applicant has timely submitted a complete application and paid all required fees in accordance with this Chapter and Title 44, C.R.S.;
  - b. The new manager has applied to the Marshals Department for fingerprinting and a background investigation; and
  - c. There is no information known by the Town Clerk that could support denial of the application under applicable law.
- 2. <u>Temporary Permits.</u> The Town Clerk may administratively approve an application for a temporary permit where, after reasonable investigation and consultation with the Marshal Department and other appropriate agencies, all of the following circumstances are found to exist:
  - The applicant has timely submitted a complete application and paid all fees in accordance with this Chapter and Section 44-33-303, C.R.S.;
  - b. There is an application pending for the transfer of the license;
  - c. The premises subject to the proposed temporary permit is currently subject to a license; and
  - d. There is no information known by the Town Council that could support denial of the application under applicable law.
- 3. <u>Special Event Permits.</u> The Town Clerk may administratively approve an application for a special event permit where, after reasonable investigation and consultation with the Marshal Department and other appropriate agencies, all of the following circumstances are found to exist:
  - a. The applicant has timely submitted a complete application and paid all fees in accordance with this Chapter and Title 44, Article 5, C.R.S.;

- b. There has been a timely and proper posting of conspicuous public notice of the proposed permit and protest procedures at the locations sought to be licensed;
- c. The application and the applicant satisfy the eligibility criteria set forth in Section 12-28-102, C.R.S. and Section 23-28-103, C.R.S., as amended; and
- d. There is no information known by the Town Council that could support denial of the application under applicable law.
- 4. <u>Local Festival Permits.</u> The Town Clerk may approve applications for the initial festival permit and all other subsequent applications, as described in Section 5.06.090, where, after reasonable investigation and consultation with the Marshals Department and other appropriate agencies, all the following circumstances are found to exist:
  - a. The licensee applying for the permit does not have a history of violations;
  - b. The application is complete and timely; and
  - c. The application, if granted, would not result in a violation of State or local laws, rules, or regulations.
- B. The Town Clerk shall not approve an application if the Marshal's Department has timely submitted written objections to the Town Council concerning such action. If such objections are received, the Town Clerk shall set the application for a hearing before the Local Licensing Authority.
- C. Notwithstanding any authority delegated to the Town Clerk under this Section, the Town Clerk, may, in his or her discretion, refer any licensing or permitting decision to the Town Council, if, in the Town Clerk's opinion, the matter should be presented to the Local Licensing Authority. The hearing before the Local Licensing Authority shall be noticed as required by law.
- D. Any applicant or party in interest, as defined in Section 44-3-311, C.R.S., who is dissatisfied with a decision of the Town Clerk under this Section may appeal the same to the Local Licensing Authority by filing a written protest with the Town Clerk not more than ten (10) days after the date of the decision. The Town Clerk shall promptly set the appeal for a hearing before the Local Licensing Authority, which hearing shall be noticed as required by law.
- E. The Town Clerk shall report to the Authority in a timely manner all actions taken by the Town Clerk under this Section.

### 5.06.030 Distance Limitations.

Pursuant to Section 44-3-313(1)(d), C.R.S., there is no required minimum distance between a building in which malt, vinous or spirituous liquor is sold pursuant to the issuance of any license under Title 44, Articles 3 or 4, C.R.S., and any public or parochial school or the campus of any college, university or seminary.

### 5.06.040 Special Event Permits.

- A. Pursuant to Section 44-5-107(5)(a), C.R.S., the Town Council, acting as the Local Licensing Authority, elects not to obtain the State Licensing Authority's approval or disapproval of applications for special events permits pursuant to Title 44, Article 5, C.R.S. The Town Council hereby authorizes the issuance of special event permits for the sale, by the drink only, of alcohol beverages by the Town, organizations, and political candidates in accordance with this Chapter and Title 44, Article 5, C.R.S. No alcoholic beverages shall be sold at any special event until a special event permit is obtained from the Town. The standards in this Chapter shall be in addition to all other applicable requirements of the Colorado Liquor Code, Section 44-3-101, et. seq., C.R.S.
- B. Any organization or political candidate desiring to sell alcohol beverages at a special event shall obtain a permit from the Local Licensing Authority by first completing an application and paying the fee established by resolution of the Town Council. An application shall be filed at least thirty (30) days prior to the event, unless waived by the Town Clerk for good cause shown.
- C. Upon receipt of an application for a special event permit, the Local Licensing Authority, shall, as required by Section 44-5-107(5)(c), C.R.S., access information made available on the State Licensing Authority's website to determine the statewide permitting activity of the organization applying for the permit. Before approving an application, the Town Council shall consider compliance with Section 44-5-105(3) C.R.S., which restricts the number of permits issued to an organization in a calendar year.
- D. The Local Licensing Authority may deny issuance of a special event permit if it determines that the issuance would be injurious to the public welfare, because of the nature of the special event, or the applicant's ability to conduct the event in compliance with applicable laws and regulations. Special event permits shall not be transferable.
- E. As required by Section 44-5-107(5)(a), C.R.S., the Town Clerk, acting on behalf of the Local Licensing Authority, shall report to the State Liquor Enforcement Division within ten (10) days after the issuance of a permit, the name of the organization to which a permit was issued, the address of the permitted location, and the permitted dates of alcohol beverage service.

F. Pursuant to Section 44-5-105, C.R.S., a special event permit shall not be issued to any organization for more than fifteen (15) days in any one calendar year.

## 5.06.050 Alcoholic Beverage Tastings.

- A. In accordance with Section 44-3-301(10)(a), C.R.S., retail liquor store licensees and liquor-licensed drugstore licensees may conduct alcohol beverage tastings subject to the limitations contained in Section 44-3-301(10), C.R.S., and subject to approval by the Town Council, acting as the Local Licensing Authority, of an alcoholic beverage tastings permit and payment of all requisite fees.
- B. A retail liquor store licensee or a liquor-licensed drugstore licensee who desires to conduct tastings may submit an application to the Town Council, acting as the Local Licensing Authority. The Town Council may reject the application if the applicant fails to establish that it is able to conduct tastings in compliance with Section 44-3-301(10), C.R.S. or without creating a safety risk to the neighborhood. An approved alcohol beverage tastings permit shall have an expiration date concurrent with the establishment's existing retail liquor store license or liquor-licensed drugstore license and shall be subject to annual renewals accordingly.
- C. The applicant for an alcoholic beverage tastings permit shall certify on the application that all persons serving alcoholic beverages at tastings have completed a server training program that meets the standards established by the liquor enforcement division of the State Department of Revenue. The applicant shall also state on the application the days and times that tastings will occur. The licensee shall give at least twenty-four (24) hours prior notice to the Marshal's Department of any deviations in the tastings schedule as set forth in the application.
- D. Every application for an alcoholic beverage tastings permit or renewal thereof shall be accompanied by an application fee in an amount set forth by resolution of the Town Council.

# 5.06.060 General Penalty Guidelines for Violations.

The presumptive penalties for violations of certain provisions of the Colorado Beer Code and the Colorado Liquor Code shall be subject to the following presumptive penalties; provided that such presumptive penalties shall not restrict the Local Licensing Authority's discretion to impose a greater or lesser penalty.

### A. <u>Presumptive Penalties.</u>

Code Violation	Penalty
1. Sale to underage persons, Section 44-3-	901, C.R.S.
First offense	15 days total suspension, 5 days actually
	served and 10 days held in abeyance for a

Code Violation	Penalty
	period of one year from the date of hearing pending no further violations of state codes, regulations or local ordinances regarding subject matter of respondent's license
Second offense within two (2) years of first violation	30 days total suspension, 10 days actually served and 20 days held in abeyance for a period of one yare from the date of hearing, pending no further violations of state codes, regulations or local ordinances regarding subject matter of respondent's license
Third offense within two (2) years of first violation	45 days total suspension, 15 days actually served and 30 days held in abeyance for a period of one year from the date of hearing, pending no further violations of state codes, regulations or local ordinances regarding subject matter of respondent's license
Fourth and subsequent offenses within two years of first violation	60 days suspension to be served by actual closure; no days held in abeyance; or revocation
2. Sale to or loitering of visibly intoxicated C.R.S., Regulation 47-900	patron or habitual drunkard, Section 44-3-901,
First offense	15 days total suspension, 5 days actually served and 10 days held in abeyance for a period of one year from the date of the hearing, pending no further violations of state codes, regulations or local ordinances regarding subject matter of respondent's license
Second offense within two years of first violation	30 days total suspension, 10 days actually served and 20 days held in abeyance for a period of one year from the date of the hearing, pending no further violations of state codes, regulations or local ordinances regarding subject matter of respondent's license
Third offense within two years of first violation	45 days total suspension, 15 days actually served and 30 days held in abeyance for a period of one year from the date of the hearing, pending no further violations of state codes, regulations or local ordinances regarding subject matter of respondent's license

Code Violation	Penalty
Fourth and subsequent offenses within two	60 days suspension to be served by actual
years of first violation	closure; no days held in abeyance; or revocation
3. Purchase of alcoholic beverages from Section 44-3-901, C.R.S.	someone other than a licensed wholesaler,
First offense	10 days total suspension, 3 days actually
Thist offense	served and 7 days held in abeyance for a
	period of one year from the date of the
	hearing, pending no further violations of state
	codes, regulations or local ordinances
	regarding subject matter of respondent's
	license
Second and subsequent offenses within one	10 days total suspension, 5 days actually
year of first violation	served and 5 days held in abeyance for a
	period of one year from the date of the
	hearing, pending no further violations, of
	state codes, regulations or local ordinances
	regarding subject matter of respondent's
	license
4. Failure to meet food requirements, Se Licenses), Section 44-3-414, C.R.S. (Tave	ection 44-3-413, C.R.S. (Hotel and Restaurant
First offense	15 days total suspension, 5 days actually
This official	served and 10 days held in abeyance for a
	period of one year from the date of the
	hearing, pending no further violations, of
	state codes, regulations or local ordinances
	regarding subject matter of respondent's
	license, with 30 days to come into compliance
Second and subsequent offenses within two	15 days total suspension, 5 days actually
years of first violation	served and 10 days held in abeyance for a
	period of one year from the date of the
	hearing, pending no further violations, of
	state codes, regulations or local ordinances
	regarding subject matter of respondent's
5 Pormitting use of sambling machines as	license with 30 days to come into compliance
<ol> <li>Permitting use of gambling machines ar</li> <li>47-922</li> </ol>	nd devices, Section 44-3-901, C.R.S., Regulation
First offense	45 days total suspension, 15 days actually
	served and 30 days held in abeyance for a
	period of one year from the date of hearing,
	pending no further violations of state codes,

Code Violation	Penalty
	regulations or local ordinances regarding
	subject matter of respondent's license
Second offense within one year of first	45 days suspension to be served by actual
violation	closure, no days held in abeyance
Third and subsequent offenses within one	Revocation
year of first violation	
6. Permitting illegal gambling, Section 44-3	
First offense	10 days total suspension, 3 days actually
	served and 7 days held in abeyance for a
	period of one year from the date of hearing,
	pending no further violations of state codes, regulations or local ordinances regarding
	subject matter of respondent's license
Second and subsequent offenses within one	45 days total suspension, 15 days actually
year of first violation	served and 30 days held in abeyance for a
, , , , , , , , , , , , , , , , , , , ,	period of one year from the date of hearing,
	pending no further violations of state codes,
	regulations or local ordinances regarding
	subject matter of respondent's license; or
	revocation
7. Failure to maintain adequate books and	records, Section 44-3-701, C.R.S.
First offense	15 days total suspension, 10 days actually
	served and 20 days held in abeyance for a
	period of one year form the date of hearing,
	pending no further violations of state codes,
	regulations or local ordinances regarding subject mater of respondent's license
Second and subsequent offenses within one	30 days total suspension, 10 days actually
year of first violation	served and 20 days held in abeyance for a
year or mot violation	period of one year from date of hearing,
	pending no further violations of state codes,
	regulations or local ordinances regarding
	subject matter of respondent's license; or
	revocation
	ges after legal hours, Section 44-3-901, C.R.S.,
Regulation 47-910	
First offense	10 days total suspension, 3 days actually
	served and 7 days held in abeyance for a
	period of one year from date of hearing,
	pending no further violations of state codes,
	regulations or local ordinances regarding
	subject matter of respondent's license.

Code Violation	Penalty
Second and subsequent offenses within one	30 days total suspension, 10 days actually
year of first violation	served and 20 days held in abeyance for a
	period of one year from date of hearing,
	pending no further violations of state codes,
	regulations or local ordinances regarding
	subject matter of respondent's license; or
	revocation
	tablishment, other than serving or loitering of
visibly intoxicated persons or habitual d	
First offense	30 days total suspension, 10 days actually
	served and 20 days held in abeyance for a
	period of one year from date of hearing,
	pending no further violations of state codes,
	regulations or local ordinances regarding
	subject matter of respondent's license
Second offense within two years of first	45 days total suspension, 15 days actually
violation	served and 30 days held in abeyance for a
	period of one year from date of hearing,
	pending no further violations of state codes,
	regulations or local ordinances regarding
	subject matter of respondent's license; or
	revocation
Third and subsequent offenses within two	45 days suspension, to be served by actual
years of first violation	closure, no days held in abeyance; or
	revocation
	or financial change, Section 44-3-301, C.R.S.,
Regulation 47-304	
First offense	5 days total suspension, all t days held in
	abeyance for a period of one year from the
	date of hearing, pending no further violations
	of state codes, regulations or local ordinances
	regarding subject matter of respondent's
	license
Second and subsequent offenses within one	10 days total suspension, 3 days actually
year of first violation	served, and 7 days held in abeyance for a
	period of one year from the date of hearing,
	pending no further violations of state codes,
	regulations or local ordinances regarding
	subject matter of respondent's license
	c beverages, Section 44-3-901(6)(a), C.R.S.,
Regulation 47-913	

Code Violation	Penalty
First offense	7 days total suspension, 2 days actually served, and 5 days held in abeyance for a period of one year from the date of hearing, pending no further violations of state codes, regulations or local ordinances regarding subject matter of respondent's license
Second offense within one year of first violation	14 days total suspension, 4 days actually served, and 10 days held in abeyance for a period of one year from the date of hearing, pending no further violations of state codes, regulations or local ordinances regarding subject matter of respondent's license
Third and subsequent offenses within one year of first violation	30 days total suspension, 10 days actually served, and 20 days held in abeyance for a period of one year from the date of hearing, pending no further violations of state codes, regulations or local ordinances regarding subject matter of respondent's license

- B. <u>Aggravating and Mitigating Circumstances.</u> In considering whether to deviate from the presumptive penalty guidelines set forth above, the Local Licensing Authority may consider mitigating and aggravating factors when considering the imposition of the penalty. Such factors may include:
  - 1. Corrective action(s) taken by the licensee to prevent further violations, i.e., training of servers.
  - 2. Licensee's past history.
  - 3. Prior violations, prior warnings, prior corrective action(s) and its effectiveness.
  - 4. Willfulness or deliberateness of the violation.
  - 5. Likelihood of recurrence of the violation.
  - 6. Seriousness of violation.
  - 7. Licensee or the manager is the violator or has directed an employee or other individual to violate the law.

# C. General Provisions Concerning Imposition of Penalty.

- In the event a second or subsequent action is brought before the Local Licensing Authority for a violation of the Colorado Beer Code, Colorado Liquor Code, or regulations promulgated thereunder, and licensee is found to have committed such violation, days suspended but held in abeyance in a previous action shall automatically be imposed, plus any additional suspension for the new violation as determined by the Local Licensing Authority.
- 2. Any period of actual closure imposed as part of a suspension by the Local Licensing Authority must run consecutive to any previously imposed period of closure.
- 3. In the event a license for the retail sale of malt, vinous or spirituous liquor for on-premises consumption is suspended, and an actual closure is ordered, there shall be a mandatory closure of at least one (1) day commencing at 12:01 a.m. or 2:01 a.m. on a Saturday and ending at 12:00 midnight the same day. In the event a license for a retail sale of malt, vinous or spirituous liquor for off-premises consumption is suspended, suspension days shall not include Sundays.
- 4. Notwithstanding the presumptive penalties set forth above, the Town Attorney reserves the right to request revocation of a license for any violation.
- 5. The Local Licensing Authority shall have the power to impose on a licensee as a condition of a period of suspension to be held in abeyance, or as a condition of renewal of a license, any condition(s) reasonably related to the offenses leading to the suspension or the conduct of the business whose license is to be renewed.

### 5.06.070 Penalty Guidelines for Violations Involving Compliance Check.

When the Local Licensing Authority finds that a licensee has sold alcohol beverages to a person under the legal age limit and that said violation was investigated or detected by using a person under 21 years of age to purchase alcohol beverages from the licensee, the Local Licensing Authority may consider the following penalties to be imposed for the violation.

## A. First ffense (within one year):

1. A written warning up to a 15-day suspension. The Local Licensing Authority may hold a portion of the suspension time in abeyance for a period of time.

- 2. As an inducement for licensees to provide training to servers, because server training has proven to be an aid in the reduction of violations, it is recommended that, where there are no aggravating circumstances, a licensee who has provided training to its staff members be issued only a warning on the first violation.
- B. <u>Second offense (within one year)</u>: a five day to 30-day suspension. If no suspension was swerved at the time of the first offense, it is within the discretion of the licensing authority to hold a portion of the suspension time in abeyance for a period of time.
  - C. <u>Third offense (within one year):</u> a 20-to-40-day suspension shall be imposed.
- D. <u>Fourth offense (within two years):</u> a minimum 45-day suspension up to and including revocation shall be imposed.
- E. <u>Aggravating and Mitigating Circumstances.</u> The Local Licensing Authority may also consider aggravating and mitigating factors when considering the imposition of the penalty for violations involving compliance checks. These factors may include:
  - 1. Action taken by the licensee to prevent violations, i.e., training of servers.
  - 2. Licensee's past history of success or failure with compliance checks.
  - 3. Corrective action(s) taken by the licensee.
  - 4. Prior violations/prior corrective action(s) and its effectiveness.
  - 5. Willfulness or deliberateness of the violation.
  - 6. Likelihood of recurrence of the violation.
  - 7. Factors which might make the situation unique, such as:
    - a. Prior notification letter to the licensee that a compliance check would be forthcoming.
    - b. The dress or appearance of the underage operative, i.e., the operative wearing a high school letter jacket.
  - 8. Licensee or the manager is the violator or has directed an employee or other individual to violate the law.

# F. General Provisions Concerning Imposition of Penalty.

- In the event a second or subsequent action is brought before the Local Licensing Authority for a violation of the Colorado Beer Code or Colorado Liquor Code involving a compliance check, and the licensee is found to have committed such violation, days suspended but held in abeyance in a previous action shall automatically be imposed, plus any additional suspension for the new violation as determined by the Local Licensing Authority.
- 2. Any period of actual closure imposed as part of a suspension by the Local Licensing Authority must run consecutive to any previously imposed period of closure.
- 3. In the event a license for the retail sale of malt, vinous or spirituous liquor for on-premises consumption is suspended, and an actual closure is ordered, there shall be a mandatory closure of at least one (1) day commencing at 12:01 a.m. or 2:01 a.m. on a Saturday and ending at 12:00 midnight the same day. In the event a license for the retail sale of malt, vinous or spirituous liquor for off-premises consumption is suspended, suspension shall not include Sundays.
- 4. Notwithstanding the presumptive penalties set forth above, the Town Attorney reserves the right to request revocation of a license for any violation.
- 5. The Local Licensing Authority shall have the power to impose on a licensee as a condition of a period of suspension held in abeyance, or as a condition of renewal of a license, any condition(s) reasonably related to the offenses leading to the suspension or the conduct of the business whose license is to be renewed.

### 5.06.080 Unlawful Acts.

- A. It is unlawful for any person licensed to sell alcohol pursuant to the Colorado Beer Code, Title 44, Article 4, C.R.S., or the Colorado Liquor Code, Title 44, Article 3, C.R.S.:
  - 1. The sell an alcohol beverage to any person under the age of 21 years, to a habitual drunkard, or to a visibly intoxicated person. If a person who is not 21 years of age exhibits a fraudulent proof of age, any action relying on such fraudulent proof of age shall not constitute grounds for the revocation or suspension of any license issued under Title 44, Article 3 or 4, C.R.S.

- 2. With knowledge, to permit or fail to prevent the use of his identification, including a driver's license, by a person who is under 21 years of age, for the unlawful purchase of any alcohol beverage.
- 3. To fail to conduct the licensed premises in a decent, orderly and respectable manner; to knowingly permit on the licensed premises the loitering of a visibly intoxicated person or habitual drunkard; or to knowingly permit any activity or acts of disorderly conduct as defined by and provided for in Section 18-9-106, C.R.S.; or to permit rowdiness, undue noise, or other disturbances or activity offensive to the senses of the average citizen or to the residents of the neighborhood in which the licensed establishment is located.
- 4. To fail to immediately contact the Marshal's Department or other law enforcement agency upon the happening of any act within the licensed establishment apparently constituting harassment, as defined in Section 10.12.030; disorderly conduct, as defined in Section 10.12.040; assault and battery, as defined in Section 10.12.060; or criminal trespass, as defined in Section 10.14.060. The mere number of calls made by a licensed establishment to the Marshal's Department or other law enforcement agency for such purposes shall not be used against a licensee at a suspension, revocation or license renewal hearing.
- B. The above offenses, unless otherwise indicated, shall constitute strict liability offenses.

### 5.06.090 Festival Permits.

- A. <u>Permit Required.</u> A licensee who wishes to host a festival shall first obtain a permit from the State and the Town, except a limited winery or winery licensee need not obtain a festival permit from the Town. A licensee applying for both a festival permit and special event permit from the State need not obtain a festival permit from the Town.
- B. <u>Eligible Licensees.</u> The following license types are eligible to apply for a festival permit:
  - 1. Beer and wine;
  - 2. Brew pub;
  - 3. Distillery pub;
  - 4. Hotel and restaurant;

- 5. Manufacturer;
- 6. Tavern;
- 7. Vintner's restaurant; and
- 8. Wholesaler.
- C. <u>Participation.</u> The licensee who hosts the festival shall be the licensee who files the application for the festival permit; provided that other licensees of the types described in subsection (B) hereof may jointly participate under the permit.
- D. <u>Number.</u> Each festival permit shall allow the licensee to hold nine (9) festivals during the 12-month period following the permit is issued.
  - E. Hours. In no case shall a festival be held for longer than seventy-two (72) hours.
- F. <u>Application-Application for Issuance of a Festival Permit.</u> The applicant for a festival permit must:
  - 1. Specify the licensed premises for the festival to be held; and
  - 2. File the application with the Town Clerk at least thirty (30) days before the festival is to be held.
  - 3. Identify controlled access and boundaries to the festival for alcohol consumption, comply with security requirements deemed necessary by the Town, agree to adherence to nuisance issues, including trash removal and noise.
  - 4. Pay the required application fee as set by the fee schedule.
  - G. Denial. The Town Clerk may deny an application for the following reasons:
    - 1. A documented history of liquor violations;
    - 2. The filing of an incomplete or late application; or
    - 3. A finding that the application, if granted, would result in violation of State or local laws, rules, or regulations.
- H. <u>Supplemental Applications.</u> To hold any additional festival after the initial festival, which was described in the initial application, the permittee must notify the State and the Town Clerk at least thirty (30) days prior to the additional festival being held of an intent to host a

subsequent festival. If the Town is notified at least thirty (30) days in advance of the subsequent festival, the subsequent festival is presumed to be approved unless the Town Clerk has grounds to deny the subsequent festival provided by subsection (G) of this Section.

(Ord. 1-2023, § 1, 2023)

### Chapter 5.14

### SEXUALLY ORIENTED BUSINESSES-GENERAL PROVISIONS

### Sections:

5.14.010	Purpose and Description.
5.14.020	Definitions.
5.14.030	License Required.
5.14.040	Issuance of a Sexually Oriented Business License.
5.14.050	Manager's Registration.
5.14.060	Employee Registration.
5.14.070	Inspection.
5.14.080	Expiration of License.
5.14.090	License Suspension or Revocation.
5.14.100	Mandatory License Revocation.
5.14.110	Hours of Operation.
5.14.120	Peep Booth Regulations.
5.14.130	Lighting Regulations.
5.14.140	Additional Regulations - Adult Theaters, and Adult Cabarets.
5.14.150	Conduct for Sexually Oriented Businesses.
5.14.160	Sexually Oriented Business - Employee Tips.
5.14.170	Adult Motel Regulations.
5.14.180	Injunctions.
5.14.190	Prohibited Acts - Penalty.
5.14.200	Fees.
5.14.010	Purpose and Description.

The purpose of these regulations is to provide for the regulation and licensing of sexually oriented businesses within the Town in a manner which will protect the property values, neighborhoods and residents from the potential adverse secondary effects of sexually oriented businesses while providing to those who desire to patronize sexually oriented businesses the opportunity to do so. It is not the intent of this Chapter to suppress any speech activities protected by the First and Fourteenth Amendments of the United States Constitution or Article II, Section 10 Colorado Constitution, but to impose content-neutral regulations which address the adverse secondary effects of sexually oriented businesses. Nothing in this Chapter is intended to authorize or license anything otherwise prohibited by law.

Sexually oriented businesses are frequently used for unlawful sexual activities, including prostitution. The concern over sexually transmitted diseases is a legitimate health concern of the Town which demands reasonable regulation of sexually oriented businesses to protect the health and well-being of the citizens, including the patrons of sexually oriented businesses. Licensing of sexually oriented businesses is a legitimate and reasonable means of ensuring that operators of sexually oriented businesses comply with reasonable regulations and that operators do not knowingly allow their businesses to be used as places of illegal sexual activity or solicitation. There is convincing documented evidence that sexually oriented businesses, because of their nature, have a deleterious effect on both the existing businesses around them and surrounding residential areas causing increased crime and downgrading of property values. The purpose of this Chapter is to control adverse effects from sexually oriented businesses and thereby protect the health, safety and welfare of the citizens; protect the citizens from increased crime; preserve the quality of life; preserve the property values and character of the surrounding neighborhoods and deter the spread of urban blight. This Chapter is authorized by Section 31-15-401, C.R.S. and other applicable law.

## 5.14.020 Definitions.

- A. Adult Arcade: Any place to which the public is permitted or invited wherein coinoperated or slug-operated or electronically, electrically or mechanically controlled still or motion picture machines, projectors, or other image-producing devices are maintained to show images to five (5) or fewer persons per machine at any one time, and where the images so displayed are distinguished or characterized by the depicting or describing of specified sexual activities or specified anatomical areas.
- B. Adult Bookstore or Adult Video Store: A business having as a substantial and significant portion of its stock and trade, revenues, space or advertising expenditures, resulting from the sale, renting or viewing of one or more of the following:
  - 1. Books, magazines, periodicals or other printed matter, or photographs, films, motion pictures, video cassettes or video reproductions, laser disks, slides or other visual representations which depict or describe specified sexual activities or specified anatomical areas
  - 2. Instruments, devices, or paraphernalia which are designed for specified sexual activities.
  - C. Cabaret: A nightclub, bar, restaurant or similar business which regularly features:
    - 1. Persons who appear in a state of nudity; or
    - 2. Live performances which are characterized by the exposure to specified anatomical areas or by specified sexual activities; or
    - 3. Films, motion pictures, video cassettes, slides or other photographic reproductions which are characterized by the depiction or description of specified sexual activities or specified anatomical areas.

- D. Adult Motel: A hotel, motel or similar business which offers private rooms to the public and provides patrons live performances or closed-circuit television transmissions, not including pay per view satellite transmissions, video cassettes, slides or other photographic reproductions which are characterized by the depiction or description of specified sexual activities or specified anatomical areas.
- E. Adult Motion Picture Theater: A business where films, motion pictures, video cassettes, slides or similar photographic reproductions are regularly shown which are characterized by the depiction or description of specified sexual activities or specified anatomical areas.
- F. Adult Theater: A theater, concert hall, auditorium, or similar business which regularly features persons who appear in a state of nudity or live performances which are characterized by the exposure of specified anatomical areas or by specified sexual activities.
- G. Employee: Includes any person who is paid directly or indirectly by the licensee for services performed on the premises whether such person would otherwise as a matter of law be classified as an employee, agent, manager, entertainer or independent contractor.
- H. Licensing Officer: The Licensing Officer referred to in this Chapter is the Town Clerk unless another official has been designated by the Town Administrator or Town Council as the Licensing Officer.
- I. Manager: Any person other than a licensee who is employed by a sexually oriented business to act as a manager or supervisor of the employees, finances or patrons of the business or is otherwise responsible for operation of the business.
- J. Peep booth: A viewing room, other than a private room, of less than one hundred fifty square feet (150 sq. ft.) of floor space upon the premises of a sexually oriented business where there is exhibited photographs, films, motion pictures, video cassettes, or other video reproductions, slides or other visual representations which depict or describe specified sexual activities or specified anatomical areas.
- K. Person: An individual, proprietorship, partnership, corporation, association or other legal entity.
- L. Private Room: A room in an adult motel that is not a peep booth, has a bed in the room, has a bath in the room or adjacent to the room, and is used primarily for lodging.
- M. Sexual Encounter Establishment: A business or commercial establishment, which as one of its primary business purposes, offers for any form of consideration, a place where two (2) or more persons may congregate, associate or consort for the purpose of specified sexual activities or the exposure of specified anatomical areas, when one or more of the persons exposes any specified anatomical area.

- N. Sexually Oriented Business: An adult arcade, adult bookstore, adult video store, adult cabaret, adult motel, adult motion picture theater, adult theater, sexual encounter establishment or other similar business and includes:
  - 1. The opening or commencement of any sexually oriented business as a new business.
  - 2. The conversion of an existing business, whether or not a sexually oriented business, to a sexually oriented business.
  - 3. The addition of any sexually oriented business to any other existing sexually oriented business.
  - 4. The relocation of any sexually oriented business; or
  - 5. The continuation of a sexually oriented business in existence on the effective date of this Ordinance.
  - O. Specified Anatomical Areas: Are defined as:
    - 1. Less than completely and opaquely covered: human genitals, pubic region, buttocks and female breast below a point above the top of the areola.
    - 2. Human male genitals in a discernibly turgid state even if completely and opaquely covered.
- P. Specified Sexual Activities: Acts, simulated acts, exhibitions, representations, depictions or descriptions of:
  - 1. Human genitals in a state of sexual stimulation or arousal.
  - 2. Fondling or other erotic touching of human genitals, pubic region, buttocks or female breast.
  - 3. Intrusion, however slight, of any object, any part of an animal's body, or any part of a person's body into the genital or anal openings of any person's body or into the body of an animal.
  - 4. Cunnilingus, fellatio, anilingus, masturbation, bestiality, lewd exhibition of genitals or excretory function.
  - 5. Flagellation, mutilation or torture for purposes of sexual arousal, gratification, or abuse.

Q. Stage: A raised floor or platform at least three feet (3') above the surrounding floor measured perpendicularly from the edge of the stage to the surrounding floor and at least thirty-six square feet (36 sq. ft.) in area.

### 5.14.030 License Required.

- A. It shall be unlawful for any person to operate a sexually oriented business without a license issued by the Licensing Officer under the provisions of this Chapter.
  - 1. An application for a license must be made on a form provided by the Town.
  - 2. The application must be accompanied by a diagram showing the configuration of the premises, including a statement of total floor space occupied by the business, and designating the use of each room or other area of the premises.
  - 3. The diagram shall designate those rooms or other areas of the premises where patrons are not permitted.
  - 4. The diagram need not be professionally prepared but must be drawn to a designated scale or drawn with marked dimensions of the interior of the premises to an accuracy of plus or minus six inches ( +/- 6").
  - 5. The diagram shall designate the place at which the license will be conspicuously posted.
  - 6. No alteration in the configuration of the premises or any change in use of any room or area as shown on the diagram may be made without the prior written approval of the Town.
  - 7. The Licensing Officer may waive the foregoing diagram for renewal applications if the applicant adopts a diagram that was previously submitted and certifies that the configuration of the premises has not been altered since it was prepared and that the use of any area or room in the premises has not changed.
- B. The applicant must be qualified according to the provisions of this Title and the premises must be inspected by the Fire Department, Building Official of the Building Department and the Licensing Officer and found to be in compliance with the law.
- C. Contemporaneously with the submission of an application for a license, the applicant shall submit the Special Review Use Permit issued by the Town indicating that the requirements of Chapter 14.03 of the Land Use Regulations are met unless the applicant's

sexually oriented business is an existing nonconforming use under the provisions of Section 14.03.090 of the Dinosaur Land Use Regulations. In the event that such permit is subject to appeal, no further action shall be taken upon such application until such appeal is finally adjudicated.

### 5.14.040 Issuance of Sexually Oriented Business License.

- A. The sexually oriented business shall be issued a license within thirty (30) days after receipt of an application if the requirements set forth in Section 5.02.050 are met, unless the Licensing Officer finds one or more of the following:
  - 1. An applicant is overdue in payment to the Town of taxes, fees, fines or penalties assessed against the applicant or imposed upon the applicant in relation to a sexually oriented business.
  - 2. An applicant has failed to provide information reasonably necessary for issuance of the license or has falsely answered a question or request for information on the application form.
  - 3. The premises to be used for the sexually oriented business have not been approved by the Fire Department, the Building Official and the Licensing Officer as being in compliance with applicable laws and ordinances.
  - 4. The applicant has not been issued a permit by the Town Planning Department indicating the requirements of Title 14 of the Dinosaur Land Use Regulations are met and that such permit, if issued, is not subject to appeal or the applicant's sexually oriented business is an existing nonconforming use under Title 14 of the Dinosaur Land Use Regulations.
- B. The license, if granted, shall state on its face the name of the person or persons to whom it is granted, the expiration date, and the address of the sexually oriented business. The license shall be posted in a conspicuous place at or near the entrance to the sexually oriented business so that it may be easily read at any time.
- C. The Fire Department and Building Official shall complete their certification that the premises are in compliance or not in compliance within twenty (20) days of receipt of the application by the Licensing Officer. Their certifications shall be promptly presented to the Licensing Officer. The Licensing Officer's inspection shall be completed within thirty (30) days after the receipt of the application.
- D. A denial by the Licensing Officer of the application shall be in writing sating the reasons for the denial. The applicant may appeal the denial in accordance with the provisions of Section 5.20.060 of this Chapter.

### 5.14.050 Manager's Registration.

- A. It shall be unlawful for any person to work as a manager of a sexually oriented business without first registering with the Licensing Officer.
- B. The registration of a manager with the Licensing Officer is in lieu of the issuance of a license to a manager.
- C. The Licensing Officer shall register a manager if all of the requirements for a license as set forth in Chapter 5.18 and Section 5.14.040 of this Chapter are met.
- D. The manager's registration shall be issued or denied in accordance with the criteria for issuance or denial of a license as set forth in Chapter 5.16.
- E. The registration may be suspended or revoked for any grounds for the suspension or revocation of a license as set forth in Chapter 5.20 or Sections 5.14.090 and 5.14.100.
- <u>5.14.060</u> Employee Registration. Each licensee will provide to the Licensing Officer the full name, aliases if any, address, telephone number and date of birth of any employee within five (5) days of employment.

### 5.14.070 Inspection.

- A. The licensee or the licensee's employees shall permit representatives of the Marshal's Department, Moffat County Sheriff's Department, Moffat County Health Department, Building Official of the Building Department, the Fire Department, Licensing Officer or other Town departments or agencies to inspect the premises of a sexually oriented business for the purpose of ensuring compliance with the law as provided for in this Section.
- B. Town departments and agencies shall conduct such inspections in a reasonable manner and only as frequently as may be reasonably necessary.
- C. Inspections shall take place during the regular business hours of the sexually oriented business or when any person is on the premises.
- D. It shall be unlawful for the licensee or any employee to refuse to permit such lawful inspection of the premises as provided in this Section.
- <u>5.14.080</u> Expiration of License. Each license shall expire one (1) year from the date of issuance and may be renewed only by making application as provided in Section 5.16.050 of Chapter 5.16 of this Title.

### 5.14.090 License Suspension and Revocation.

- A. In addition to the grounds set forth for suspension or revocation of a license in Chapter 5.20 of this Title, the Licensing Officer shall suspend a license for a period not to exceed six (6) months and may revoke a license if the Licensing Officer determines that a licensee or an employee of a licensee has:
  - 1. Violated or is not in compliance with any Chapter of this Title.
  - 2. Refused to allow an inspection of the sexually oriented business premises as authorized by this Chapter.
  - 3. Knowingly permitted any unlawful act upon the premises.
- B. In determining the action to be taken as provided in this Section, the Licensing Officer shall consider the following aggravating and mitigating circumstances:
  - 1. Whether the licensee has been previously suspended or revoked.
  - 2. Whether the licensee was warned that the conduct involved could lead to a suspension or revocation.
  - 3. Whether the cause for suspension or revocation involves one or several violations.
  - 4. Whether the violation(s) are technical or substantive in nature.
  - 5. The extent to which the licensee, licensee's agents and employees, as opposed to patrons, were involved in the violation(s).
  - 6. The extent to which the licensee or licensee's employees had knowledge of the violation(s).
  - 7. Any corrective or remedial action the licensee has taken to prevent similar violation(s) in the future.
  - 8. Whether the violation(s) involved the commission of a crime, and if so, the degree of felony or misdemeanor involved.
  - 9. The extent to which the violation(s) caused personal injuries or property damages.
  - 10. Whether the licensee has paid damages or made restitution to any person or entity damaged by the violation(s).

- 11. The extent to which the violations posed a significant risk to the health, safety and welfare of persons on or off of the licensed premises.
- 12. The length of time over which the violation(s) extended.
- 13. The extent to which the licensee or licensee's employees realized a financial gain from the violation(s).
- 14. The number of employees, patrons, or both involved in the violation(s).
- 15. The nature and extent of enforcement action taken by the Town or any law enforcement to detect the violation(s).
- 16. The involvement of any persons under twenty-one (21) years of age in the violation(s).
- 17. The extent to which the licensee or licensee's employees have attempted to cover up the violation(s), destroy evidence or otherwise hinder the investigation and detection of the violation(s).
- 18. The extent to which the licensee and licensee's employees have acted in good faith.

#### 5.14.100 Mandatory License Revocation.

- A. The Licensing Officer shall revoke a license if the Licensing Officer determines that:
  - 1. A license has previously been suspended within the preceding twelve (12) months;
  - 2. A licensee gave false information in the material submitted to the Licensing Officer;
  - 3. A licensee or employee has knowingly allowed possession, use, or sale of a controlled substance as defined in Part 3 of Article 22 of Title 12 C.R.S. on the premises;
  - 4. A licensee or an employee has knowingly allowed prostitution on the premises;
  - 5. A licensee or an employee knowingly operated the sexually oriented business during a period of time when the license was suspended.

- 6. Excluding conduct within a private room of an adult motel, a licensee or employee has knowingly allowed any act of sexual intercourse, sodomy, oral copulation, masturbation or other sexual conduct to occur on the premises.
- B. When the Licensing Officer revokes a license, the revocation shall continue for one (1) year, and the licensee shall not be issued a sexually oriented license for one (1) year from the date revocation became effective.

### 5.14.110 Hours of Operation.

- A. It shall be unlawful for a sexually oriented business to be open for business or for the licensee or any employee of a licensee to allow patrons upon the licensed premises from:
  - 1. On any Tuesday through Saturday from two o'clock (2:00) A.M. until seven o'clock (7:00) A.M.;
  - 2. On any Monday other than a Monday which falls on January 1, from twelve o'clock midnight (12:00) until seven o'clock (7:00) A.M.;
  - 3. On any Sunday from two o'clock (2:00) A.M. until eight o'clock (8:00) A.M.;
  - 4. On any Monday which falls on January 1, from two o'clock (2:00) A.M. until seven o'clock (7:00) A.M.
- B. This Section shall not apply to those areas of an adult motel which are private rooms.

## 5.14.120 Peep Booth Regulations.

- A. A licensee who has peep booths upon the premises shall comply with all of the following requirements:
  - 1. The diagram accompanying an application for a license shall specify the location of one (1) or more manager's stations.
  - 2. It is the duty of the licensee to ensure that at least one (1) employee is on duty and situated in each manager's station at all times that any patron is present inside the premises.
  - 3. The interior of the premises shall be configured in such a manner that there is an unobstructed view from a manager's station of every area of the premises to which any patron is permitted access for any purpose, excluding restrooms. Restrooms may not contain film or video

reproduction equipment or equipment for showing slides or photographs. If the premises has two (2) or more manager's stations, then the interior of the premises shall be configured in such a manner that there is an unobstructed view of each area of the premises to which any patron is permitted access for any purpose from at least one (1) of the manager's stations. The view required in this subsection must be by direct line of sight from the manager's station.

- 4. It shall be the duty of the licensee and employees present on the premises to ensure that the view area specified in subsection (A)(3) above remains unobstructed by any doors, walls, merchandise, display racks or other materials at all times and to ensure that no patron is permitted access to any area of the premises which has been designated in the application as an area to which patrons will not be permitted.
- 5. It shall be the duty of the licensee to ensure that all walls shall be maintained without holes or damage.
- 6. No peep booth may be occupied by more than one (1) person at any time.
- B. It shall be unlawful for any person having a duty under subsections (A)(1) through (A)(5) of this Section to knowingly fail to fulfill that duty.

## 5.14.130 Lighting Regulations.

- A. Excluding a private room of an adult motel, the interior portion of the premises to which patrons are permitted access shall be equipped with overhead lighting fixtures of sufficient intensity to illuminate every place at an illumination of not less than two (2.0) foot-candle as measured at the floor level.
- B. It shall be the duty of the licensee and employees present on the premises to ensure that the illumination described above is maintained at all times that any patron is present on the premises.

## 5.14.140 Additional Regulations-Adult Theaters and Adult Cabarets.

A. Any adult cabaret or adult theater shall have one (1) or more separate areas designated in the diagram submitted as part of the application as a stage for the licensee or employees to perform as entertainers. Entertainers shall perform only upon the stage. The stage shall be fixed and immovable. No seating for the audience shall be permitted within three feet (3') of the edge of the stage. No members of the audience shall be permitted upon the stage or within three feet (3') of the edge of the stage.

- B. It shall be unlawful for the licensee or for any employee to violate any of the requirements of this Section or to knowingly permit any patron to violate the requirements of this Section.
- C. In any adult theater or adult cabaret that features persons who appear in a state of nudity or live performances which are characterized by the exposure of specified anatomical areas or by specified sexual activities, the licensee and all employees present on the premises and all patrons must be at least twenty-one (21) years of age.

### 5.14.150 Conduct of Sexually Oriented Businesses.

- A. No licensee or employee mingling with the patrons, or serving food or drinks, shall be unclothed or in such attire, costume or clothing, so as to expose to view any specified anatomical area.
- B. No licensee or employee shall encourage or knowingly permit any person upon the premises to touch, caress or fondle the breasts, anus or specified anatomical areas of any person.
- C. No licensee or employee shall violate the requirements of subsections (A)(2) through (A)(5) of Section 5.14.100.
- D. It shall be unlawful for any licensee or employee to knowingly permit a patron to violate any of the requirements of this Section.

### 5.14.160 Sexually Oriented Businesses-Employee Tips.

- A. It shall be unlawful for any employee of a sexually oriented business to receive tips from patrons except as set forth in subsection (C) of this Section.
- B. A licensee that desires to provide for tips from its patrons shall establish one (1) or more boxes or other containers to receive tips. All tips for such employees shall be placed by the patron of the sexually oriented business into the tip box.
- C. A sexually oriented business that provides tip boxes for its patrons as provided in this Section shall post one (1) or more signs to be conspicuously visible to the patrons on the premises in letters at least one inch (1") high to read as follows: "All tips are to be placed in tip box and not handed directly to the entertainer. Any physical contact between the patron and the entertainer is strictly prohibited."
- 5.14.170 Adult Motel Regulations. An adult motel that, in addition to the renting of private rooms, operates a sexually oriented business as otherwise defined in this Title, shall comply with all of the requirements set forth in this Title pertaining to that business.

<u>5.14.180</u> Injunction. Any person who operates or causes to be operated a sexually oriented business without a license is subject to suit for injunction as well as criminal prosecution.

5.14.190 Prohibited Acts-Penalty. Any person who violates any provision of this Chapter or who fails to perform an act required by any provision of this Chapter, shall be guilty of a municipal offense. Unless specifically provided otherwise throughout this Chapter, any person convicted of a municipal offense under this Chapter shall be punished by a fine of not more than three hundred dollars (\$300.00) or by imprisonment for a period not to exceed ninety (90) days, or by both such fine and imprisonment.

<u>5.14.200</u> Fees. A business license fee of three hundred fifty dollars (\$350.00) and a manager's registration fee of seventy-five dollars (\$75.00) shall be paid upon submission of an application and annually thereafter upon renewal of the sexually oriented business license.

(Ord. 111, Article I, 2007)

### Chapter 5.16

### ISSUANCE AND CONDITIONS OF SEXUALLY ORIENTED BUSINESS LICENSES

# **Sections:**

5.16.010	Issuance or Denial of License.
5.16.020	Posting, Display of License.
5.16.030	Licenses for Branch Establishments.
5.16.040	Transfer of License.
5.16.050	Renewal of License.
5 16 010	Issuance or Denial of License

- A. Except as otherwise provided in this Title 5, the Licensing Officer shall issue a license to an applicant if he finds after investigation:
  - 1. All conditions imposed upon the applicant as prerequisites to the issuance of the said license by the terms of the provisions pertaining to the particular license sought have been met including but not limited to meeting the qualifications of applicants standard set forth in Section 5.18.010.
  - 2. The required application and license fees have been paid;
  - 3. The use to which the premises are proposed to be put shall conform to the requirements of applicable building, fire, safety and zoning regulations; and
  - 4. All other specific requirements of the terms and provisions relating to the application for the particular license requested for use at the premises specified in the application have been met.
- B. If the Licensing Officer shall not so find he shall thereupon deny such application and notify the applicant of the denial by serving upon the applicant personally a copy of such denial and the reasons supporting such denial or by mailing the same to him by registered or certified mail at the business address shown on the application.
- C. Any applicant aggrieved by any final order of the Licensing Officer after the denial of such application shall have the right to appeal to the Town Council by filing a written appeal, stating the grounds thereof, with the Licensing Officer within ten (10) days following the date of denial of said application.

D. In the event an appeal is timely filed, it shall be heard at the next regular Town Council meeting occurring at least ten (10) days after said filing with the Licensing Officer. Review by the Board shall be a de novo hearing.

# 5.16.020 Posting, Display of License.

- A. Every license issued by the Town for a business or activity to be conducted at a particular street address shall be posted during the period such license is valid. Such license shall be posted in a conspicuous place and shall be visible from the principal entrance of the business or activity. When such license expires, it shall be removed; no license not in full force and effect shall remain posted.
- B. It shall be the duty of each and every person to whom a license has been issued to exhibit the same upon the request of any peace officer, the Licensing Officer, or other official of the Town.
- 5.16.030 Licenses for Branch Establishments. A license shall be obtained in the same manner prescribed herein for each branch establishment or location of the business as if each such branch establishment or location were a separate business; provided that warehouses and wholesale distributing plants used in connection with and incidental to a business licensed under the provisions of this Title shall not be deemed to be separate places of business or branch establishments.
- <u>5.16.040</u> Transfer of License. No license shall be transferred from one person to another or from one location to another. Any change of ownership or change of location of a licensed business or activity shall require a new application and license with payment of fees therefor according to the provisions pertaining to the particular kind of license.

### 5.16.050 Renewal of License.

- A. At any time within thirty (30) days prior to the expiration of his current license, a licensee may make application for a license renewal for the succeeding year and pay the required fees therefor. Unless otherwise provided by this Title, if application is so made and no action or proceeding is pending against the licensee for suspension or revocation of his current license or licenses, he may continue in his business or activity for the succeeding period unless or until his application for license renewal is denied.
- B. In the event a suspension or revocation proceeding is pending when a license renewal is applied for, the business or activity may continue in operation during the pendency of such suspension or revocation proceeding but the application for a license renewal shall not be acted upon until the suspension or revocation proceeding has been completed.

(Ord. 111, Article II, 2007)

### Chapter 5.18

### QUALIFICATIONS OF APPLICANTS FOR SEXUALLY ORIENTED BUSINESS LICENSES

# **Sections:**

5.18.010 Qualifications of Applicants.

<u>5.18.010</u> <u>Qualifications of Applicants.</u> The general standards set out in this Section relative to the qualifications of every applicant for a Town sexually oriented business license shall be considered and applied by the Licensing Officer. The applicant shall:

- A. <u>No History of Misconduct.</u> Not have a history or prior misconduct which constitutes evidence that serious criminal conduct would likely result from the granting of a license issued pursuant to this Title.
- B. <u>No Obligations to the Town.</u> Not be in default under the provisions of this Title or indebted to or obligated in any manner to the Town.
- C. <u>Compliance with all Town Regulations.</u> Present certificates furnished by the appropriate officers or agencies to the effect that the proposed use of any premises is in compliance with all applicable Town regulations including, by way of description and not of limitation, zoning, building and fire codes and the like.

(Ord. 111, Article III, 2007)

## Chapter 5.20

## SUSPENSION AND REVOCATION PROCEDURES FOR SEXUALLY ORIENTED BUSINESS LICENSES

## Sections:

5.20.010	Grounds for Suspension or Revocation.
5.20.020	Hearing Procedures.
5.20.030	Hearings.
5.20.040	Notice of Suspension or Revocation.
5.20.050	Effect of Suspension or Revocation.
5.20.060	Appeals.
5.20.070	Summary Suspension.
5.20.080	Effect of Town Council Decision.
5.20.090	Fine in Lieu of Hearing.

<u>5.20.010</u> Grounds for Suspension or Revocation. The Licensing Officer shall suspend for a period not to exceed six (6) months or revoke any sexually oriented business license issued by the Town if he finds that:

- A. The licensee has failed to pay the annual license fee.
- B. The licensee has failed to file required reports or to furnish such other information as may be reasonably required by the Licensing Officer or other Town official under the authority vested in him by the terms of the provisions relating to the specific license;
- C. The licensee or any agent or employee of such licensee has violated any provisions of this Title pertaining to his license or any regulations or order lawfully made under and within the authority of this Title relating to the license;
- D. The licensee or any agent or employee of such licensee has violated any law of the United States, of the State of Colorado or the Town of Dinosaur when such violation occurred on the licensed premises, or relates to conduct or activity of any business required to be licensed by this Title.

#### 5.20.020 Hearing Procedures.

- A. Upon commencement of suspension or revocation proceedings, the Licensing Officer shall set a time and place for the hearing of the matter.
- B. The Licensing Officer shall give the licensee timely notice of the time and place of the hearing and the violations asserted. Such notice shall be served personally or by mailing by first-class mail to the last address furnished to the Licensing Officer by the licensee, at least ten (10) days, including Saturdays, Sundays and legal holidays prior to the hearing. In lieu of such

service, or in addition thereto, a copy of such notice may be affixed to the principal entrance of the licensed premises which shall be deemed to be the principal place of business or main office or may be affixed to some prominent structure on such premises.

- C. In any such action, a public hearing shall be granted at which the licensee shall be afforded an opportunity to be heard, present evidence, cross-examine witnesses, and offer evidence in mitigation of any violations.
  - D. All evidence shall be recorded stenographically or by electronic recording device.
- E. In all such proceedings, the Town Attorney shall act on behalf of the Town during the hearing.

<u>5.20.030</u> Hearings. The Licensing Officer or his designee shall conduct hearings for suspension or revocation of licenses granted pursuant to this Chapter. The hearing shall be conducted in accordance with legal requirements for quasi-judicial hearings. The Licensing Officer shall make findings of fact and conclusion concerning the revocation or suspension of a license. The Licensing Officer shall transmit a copy of the final findings of fact and conclusions to the licensee as provided hereafter.

## 5.20.040 Notice of Suspension or Revocation.

- A. Upon suspension or revocation of any sexually oriented business license required by this Title, notice of such suspension or revocation shall be given by personally serving the licensee with the order of suspension or revocation or by mailing such order to such person by certified or registered mail at the business address of the licensee as shown on the license or at the address of the designated agent. In lieu of such service, or in addition thereto, a copy of such order may be affixed to the principal entrance of the licensed premises which shall be deemed to be the principal place of business or main office, or may be affixed to some prominent structure on such premises.
- B. The order shall be effective immediately upon service of notice thereof unless the order provides otherwise. Service of such order shall be complete upon mailing or posting.
- <u>5.20.050</u> <u>Effect of Suspension or Revocation.</u> Upon the effective date of suspension or revocation of any license required for a business or activity, the licensee of such licensed business or activity shall cease and desist from further operation or activity.
- <u>5.20.060</u> Appeals. Any person aggrieved by any final order of the Licensing Officer after hearing shall have the right to appeal to the Town Council by filing a written appeal with the Town Clerk within ten (10) days following the effective date of the action or order complained of, and such appeal shall have the effect of staying execution of such final order pending appeal.

A. <u>Contents of Appeal.</u> An appeal shall be in writing and shall set out a copy of the order appealed from and shall include a statement of the facts relied upon to contest such order.

#### B. Hearing on Appeal.

- The Town Clerk shall fix a time and place for hearing the appeal which shall be at the next regular meeting of the Town Council occurring not less than ten (10) days following receipt of the notice of appeal or the record on appeal, whichever is later, and shall cause written notice of the same to be served upon the applicant informing him thereof. The Town Clerk shall also give such notice to the Licensing Officer and such Officer may appear and defend the order.
- 2. Upon appeal to the Town Council of the suspension or revocation, the Board shall review the record, including the transcript of proceedings and evidence before the Licensing Officer, and shall determine whether there is substantial evidence in the record to support the recommendation of the Licensing Officer. If there is substantial evidence in the record to support the recommendation of the Licensing Officer, then the Council shall affirm the decision of the Licensing Officer. If there is not substantial evidence in the record to support the recommendation of the Licensing Officer, then the Council may reverse the recommendation of the Licensing Officer or remand the matter back to the Licensing Officer for further proceedings. No new evidence shall be submitted to the Council unless a majority of the Council determines that such evidence could not have been reasonably presented at the time the matter was heard before the Licensing Officer. If the Council decides to hear new evidence, it may hear the new evidence or remand the matter to the Licensing Officer.
- 3. The appellant seeking review of the action of the Licensing Officer, at the time of the filing of the notice of appeal, shall pay to the Town the estimated cost for preparing a transcript of the proceedings before the Licensing Officer. The cost of preparing a transcript of testimony before the Licensing Officer shall be charged at rates ordinarily charged by certified court reporters. The cost of preparing the transcript shall be estimated by the Town Clerk. In the event the cost of the transcript is greater than the cost estimated by the Town Clerk, the appellant shall pay this additional cost within ten (10) days after billing by the Town Clerk. In the event that the cost of the transcript is less than the estimated sum paid by the appellant, the Town Clerk shall refund the excess paid within ten (10) days after actual cost of the transcript is determined.

<u>5.20.070</u> Summary Suspension. When the conduct of any licensee, agent or employee is so inimical to the public health, safety and general welfare as to constitute a nuisance

or hazard and thus give rise to an emergency, the Licensing Officer shall have the authority to summarily order the cessation of business and the closure of the premises pending a hearing on the question of whether to suspend or revoke the license. Unless waived by the licensee in writing, the Town Council, within fifteen (15) days after the Licensing Officer has acted, shall conduct a hearing upon the summary order and the activity giving rise to such order. The order shall state the grounds for its issuance and shall give notice of the hearing and shall be served upon the affected person in the manner prescribed in subsection (B) of Section 5.20.020. At such hearing the licensee shall show cause why the summary suspension should not be made a final order of suspension or revocation.

## 5.20.080 Effect of Town Council Decision.

- A. The decision of the Town Council in all cases shall be final and conclusive and shall be served upon the licensee by personal service, by registered or certified mail, or by posting as provided in Section 5.20.040 of this Chapter.
- B. A decision of Town Council is reviewable only by the District Court under C.R.C.P. 106(a)(4). There shall be no stay of execution pending a review by the Court except by Court order.

## 5.20.090 Fine in Lieu of Hearing.

- A. Upon application, stipulation or admission by the licensee, made ten (10) days prior to a scheduled suspension or revocation hearing unless waived by the Licensing Officer, the licensee may request permission to pay a fine in lieu of a hearing. Upon the receipt of the petition, the Licensing Officer or his designee may, in his sole discretion, stay a proposed hearing and cause any investigation to be made which he deems desirable and may, in his sole discretion, grant the petition if he is satisfied:
  - That the public welfare and morals would not be impaired by permitting the licensee to continue operation and that the payment of the fine will achieve the desired disciplinary purposes;
  - 2. That the licensee has not had his license suspended or revoked, nor paid any fine in lieu of suspension during the two (2) years immediately preceding the date of the alleged violations; and
  - 3. That the books and records of the licensee are kept in such a manner that economic loss can be determined with reasonable accuracy therefrom.
- B. The fine accepted shall be the equivalent to twenty percent (20%) of the estimated gross revenues from the sale of such merchandise or services on the dates of the alleged violations; except that the fine shall be not less than five hundred dollars (\$500.00) nor more than ten thousand dollars (\$10,000.00).

- C. Payment of any fine pursuant to the provisions of subsection (A) shall be payable in full in the form of cash, certified check or cashier's check made payable to the Town of Dinosaur. The proceeds of the payment of the fine shall be paid into the General Fund of the Town.
- D. Upon payment of the fine pursuant to subsection (A) of this Section, the Licensing Officer or his designee shall enter his further order permanently staying the suspension or revocation hearing.
- E. The authority of the Licensing Officer or his designee under this Section is limited to:
  - 1. The granting of such stays as are necessary for him to complete his investigation and make his findings; and
  - 2. If he makes such findings, to the granting of an order permanently staying the imposition of the hearing; and
  - 3. The determination of the fine to be imposed.
- F. If the Licensing Officer does not make the findings required in subsection (A) of this Section and does not order the hearing permanently stayed, the hearing shall proceed as scheduled.
- G. The determination of the Licensing Officer to deny a fine in lieu of a hearing, or to allow a fine in lieu of a hearing, and the determination of the amount of the fine, shall be final decisions committed to his discretion and not subject to appeal to the Town Council.

(Ord. 111, Article IV, 2007)

## Chapter 5.22

## RETAIL MARIJUANA LICENSING-GENERAL PROVISIONS

# **Sections:**

5.22.010	Purpose.
5.22.020	Definitions.
5.22.030	License Required for Retail Marijuana Establishments.
5.22.040	Composition of Local Licensing Authority.
5.22.050	Functions and Powers of Local Licensing Authority.
5.22.060	Limitation on the Number of Licenses That May Be Issued Within the Town.
5.22.070	Issuance of Initial Licenses.
5.22.080	Permitted Locations.
5.22.090	Buffering Requirements.
5.22.100	General Licensing Conditions.
5.22.110	License Application Requirements.
5.22.120	Inspection Required.
5.22.130	Issuance of License.
5.22.140	Release of Information.
5.22.150	License Fees and Charges.
5.22.160	Persons Prohibited as Licensees and Business Mangers.
5.22.170	Issuance or Denial of Approval.
5.22.180	Contents and Display of Approval.
5.22.190	Transfer of Ownership/Changes in Ownership Structure.
5.22.200	Change in Location.
5.22.210	Suspension or Revocation of a License.
5.22.220	Operational Requirements.
5.22.230	Requirements Relating to Monitoring and Security of Restricted Areas and
	Inventory.
5.22.240	Signage and Advertising.
5.22.250	Right of Entry-Records to be Maintained and Inspection Required.
5.22.260	Compliance with Other Applicable Laws.
5.22.270	Violations; Penalty.

<u>5.22.010</u> Purpose. The Town Council intends to regulate the use, acquisition, production and distribution of recreational marijuana in a manner consistent with the Recreational Marijuana Amendment and in accordance with the Colorado Marijuana Code and regulations adopted by the State of Colorado thereunder.

A. The Colorado Marijuana Code, Article 10 of Title 44, C.R.S., imposes statewide regulations pertaining to the cultivation, manufacture, distribution and sale of retail marijuana and for the licensing of retail marijuana business establishments. Such legislation also permits local licensing of such establishments. However, the State law is not intended to, and does not,

address the local impacts of marijuana operations, making it appropriate for local regulation of marijuana establishments.

- B. The use, distribution, cultivation, production, 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 Chapter is intended to promote or condone the production, use, sale or distribution of retail or recreational marijuana other than in compliance with applicable local and State law and the Colorado Constitution.
- C. This Chapter is not intended to regulate medical marijuana businesses which are governed by a separate Chapter 5.25 of the Dinosaur Municipal Code.
- D. This Chapter is to be construed to protect the interest of the public over marijuana business interests. Operation of a retail 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.
- E. The purpose of this Chapter is to implement the Recreational Marijuana Amendment in a manner consistent with Article 10 of Title 44, C.R.S., to protect the health, safety and welfare of the residents of the Town by prescribing the time, place and manner in which retail marijuana businesses may be operated within the Town. In addition, the purpose of this Ordinance is to:
  - 1. Provide for the safe sale of retail and recreational marijuana to persons legally permitted to obtain, possess and use marijuana for recreational purposes in accordance with the Recreational 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 retail marijuana establishments;
  - 4. Allow retail marijuana stores, retail marijuana cultivation facilities, retail marijuana product manufacturing facilities and retail marijuana testing facilities to operate in compliance with this Chapter; and
  - 5. Facilitate the implementation of the Recreational Marijuana Amendment without going beyond the authority granted by such Amendment.

(Ord. 3, §1, 2017; Amended Ord. 1, §1, 2020)

<u>5.22.020</u> <u>Definitions.</u> The following words and phrases used in this Chapter shall have the following meanings unless the context clearly indicates otherwise:

Applicant means a person who has submitted an application to the Dinosaur Local Licensing Authority pursuant to this Chapter to operate a retail marijuana establishment, which application has not been approved or denied by the Authority.

Advertised, Advertising or Advertisement means the act of drawing the public's attention, whether through print, signs, telephonic, electronic, wireless or digital means, to a retail marijuana establishment or retail marijuana testing facility in order to promote the sale, cultivation, or testing of marijuana by the business.

Business Manager means the individual(s) designated by the owner of a retail marijuana store, retail marijuana cultivation facility, retail marijuana product manufacturing facility, or retail marijuana testing facility who are registered with the Town as the person(s) 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, retail marijuana licenses, or medical marijuana licenses, which the person owns, in whole or in part, and 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 any 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.

Co-Located Marijuana Business means a medical marijuana center that has a license pursuant to Chapter 5.25 of the Dinosaur Municipal Code that is permitted by the owner of the building and all applicable laws, to divide the licensed medical marijuana business to allow for both a medical marijuana center and a retail marijuana store as a separate business premises with separate licenses from the Town within the same footprint and owned by the same person(s) or entity.

Colorado Marijuana Code shall mean Article 10 of Title 44, C.R.S., as the same may be hereafter amended, and any rules or regulations promulgated thereunder.

Good cause, for purpose of denial of an initial, renewal, or reinstatement of a license application, or for the imposition of disciplinary action against an existing licensee shall mean:

- The licensee or applicant has violated, does not meet, or has failed to comply with any of the terms and conditions of this Chapter or provisions of the Colorado Marijuana Code, any rules promulgated pursuant thereto, or any other supplemental relevant State or local law, rules or regulations; or
- 2. The licensee or applicant has failed to comply with any special terms or conditions that were placed upon its license pursuant to an order of the State Licensing Authority or the Dinosaur Local Licensing Authority; or
- 3. The licensee or applicant has a bad character and record; or
- 4. The licensee's licensed premises has been operated in a manner that adversely affects the public health, safety or welfare of the neighborhood in which the establishment is located.

Good moral character means having a personal history that demonstrates honesty, fairness, and respect for the rights of others and the law, pursuant to Colorado Marijuana Enforcement Division regulations.

License means to grant a license pursuant to the Colorado Marijuana Code and this Chapter for a retail marijuana store, retail marijuana cultivation facility, retail marijuana product manufacturing facility, or retail marijuana testing facility.

Licensed Premises means the premises specified in an application for a license pursuant to this Chapter and the Colorado Marijuana Code that is owned by or in possession of the licensee and within which the licensee is authorized to distribute, sell, cultivate, or manufacture marijuana products, or test retail marijuana in accordance with the provisions of the Colorado Marijuana Code.

Licensee shall mean the retail marijuana establishment named on the retail marijuana establishment license, and all individuals named in the initial retail marijuana establishment license application, or individuals later submitted to and approved by the Town, including without limitation, owners, business managers, financiers, and individuals owning any part of an entity that holds a financial or other ownership interest in the retail marijuana establishment.

Local Licensing Authority shall mean the Dinosaur Local Licensing Authority which shall consist of the members of the Dinosaur Town Council.

Marijuana for the purposes of this Chapter shall have the same meaning as set forth in the Recreational Marijuana Amendment or as may be more fully defined in any applicable State or local law or regulation.

*Marijuana Accessories* shall have the same meaning as such term is defined in the Recreational Marijuana Amendment.

Marijuana Business shall mean any medical marijuana business as defined by Chapter 5.25 of the Dinosaur Municipal Code or retail marijuana establishment as defined in this Chapter.

*Medical Marijuana* shall have the same meaning as set forth in Section 14 of Article XVIII of the Colorado Constitution.

Medical Marijuana Business shall include medical marijuana centers, medical marijuana infused products manufacturers, and medical marijuana optional premises cultivation operations as defined in the Colorado Marijuana Code, Article 10 of Title 44, C.R.S.

Operating Fees means fees that may be charged by the Town for costs including but not limited to inspection, administration, and enforcement of regulations governing retail marijuana establishments authorized pursuant to subsection 16(5)(f) of Article XVIII of the Colorado Constitution, the Colorado Marijuana Code, the rules adopted pursuant thereto, and this Ordinance.

Place Open to the General Public shall mean any property owned, leased or used by a public entity, any place of private property open to the public, common areas of buildings, public parks, vehicles, streets, sidewalks, trails, those portions of any public or private property upon which the public has an expressed or implied license to enter or remain, and any place visible from such places. Places open to the general public shall not include any private residential property regardless of whether it can be seen from a place open to the public.

*Preschool* means a facility that provides preschool programs and services to a school district under the Colorado Preschool Program Act to a majority of the children who attend or are enrolled in that facility.

Residential Childcare Facility shall have the same meaning as set forth in Section 26-6-102(8), C.R.S.

Recreational Marijuana means any marijuana intended for recreational use which meets all of the requirements for recreational marijuana contained in this Chapter, the Recreational Marijuana Amendment, and any other applicable State or local law.

Retail Marijuana means all parts of the plant of the genus cannabis (hereafter the plant) whether growing or not, the seeds thereof, the resin extracted from any part of the plant, and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or its resin including marijuana concentrate, that is cultivated, manufactured, distributed, or sold by a licensed retail marijuana store. Retail marijuana does not include industrial hemp, nor does it include fiber produced from stalks, oil or cake made from the seeds of the plant, sterilized seeds of the plant which is incapable of germination, or any other ingredient combined with marijuana

to prepare topical or oral administrations, food, drink, or other products.

Retail Marijuana Cultivation Facility has the same meaning as "marijuana cultivation facility" as defined in Section 16(2)(h) of Article XVIII of the State Constitution.

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

Retail Marijuana Products Manufacturer has the same meaning as "marijuana product manufacturing facility" as defined in Section 16(2)(j) of Article XVIII of the State Constitution.

Retail Marijuana Store has the same meaning as defined in Section 16(2)(n) of Article XVIII of the State Constitution.

Retail Marijuana Testing Facility means "marijuana testing facility" as defined in Section 16(2)(I) of Article XVIII of the State Constitution that is licensed pursuant to the Colorado Marijuana Code.

*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.

State Licensing Authority means the authority created for the purpose of regulating and controlling the licensing of the cultivation, manufacture, distribution, and sale of retail marijuana in Colorado, pursuant to Section 44-10-201, C.R.S. of the Colorado Marijuana Code.

(Ord. 3, §2, 2017; Amended Ord. 1, §2, 2020)

5.22.030 Licensed Required for Retail Marijuana Establishments. It shall be unlawful to operate a retail marijuana store, a retail marijuana cultivation facility, a retail marijuana product manufacturing facility, or a retail marijuana testing facility within the Town of Dinosaur without first obtaining a Town license to operate pursuant to this Chapter, and having a validly issued license in good standing from the State of Colorado, and having paid all applicable fees. Any person violating this Section shall be punished by a fine of up to three hundred dollars (\$300.00), or by imprisonment in the Moffat County jail for a period of up to ninety (90) days, or by both such fine and imprisonment. Each day that a violation continues shall be considered a separate and distinct offense.

(Ord. 3, §3, 2017; Amended Ord. 1, §3, 2020)

<u>5.22.040</u> Composition of Local Licensing Authority. The Dinosaur Town Council is hereby designated as the Dinosaur Local Licensing Authority. The Town Council, may be resolution, delegate its authority or a portion of such authority set forth in this Chapter to a new committee or other designee to act as the Local Licensing Authority.

(Ord. 3, §4, 2017; Amended Ord. 1, §4, 2020)

# 5.22.050 Functions and Powers of Local Licensing Authority.

- A. The Local Licensing Authority shall have the duty and authority pursuant to the Colorado Marijuana Code and this Chapter to grant or deny an application described in this Chapter and to levy penalties against a licensee in the manner provided by law.
- B. The Local Licensing Authority shall consider applications for new business premises, transfer of ownership, change of location, licensed premises modification, changes in tradename and any other appropriate application.
- C. The Local Licensing Authority shall have the power to promulgate rules and regulations concerning 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 Chapter.
- 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 Municipal Judge shall have the power and authority to enforce such subpoena.

(Ord. 3, §5, 2017; Amended Ord. 1, §5, 2020)

5.22.060 Limitation on the Number of Licenses That May Be Issued Within the Town. A maximum of four (4) retail marijuana store licenses, four (4) retail marijuana cultivation facilities, four (4) retail marijuana product manufacturing facility licenses and four (4) retail marijuana testing facility licenses shall be issued by the Dinosaur Local Licensing Authority. An application for renewal of an existing retail marijuana establishment license shall receive a preference over an application for a new retail marijuana establishment license if the existing business has substantially met all of the requirements of this Chapter and the Colorado Marijuana Code during the previous license term and is in good standing.

(Ord. 3, §6, 2017; Amended Ord. 1, §6, 2020)

5.22.070 Issuance of Initial Licenses. On or before August 10, 2017, the Town Clerk shall publish a notice that the Town is accepting applications for retail 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 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 retail marijuana establishment license. If more valid license applications of the same classification are received by the Local Licensing Authority than authorized by this Chapter, and the Local Licensing Authority is not permitted to approve all of the sufficient applications reviewed because of the limitations set forth in Section 5.22.060, 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.

(Ord. 3, §7, 2017; Amended Ord. 1, §7, 2020)

5.22.080 Permitted Locations. All retail marijuana establishment licenses shall be issued for a specific location which shall be designated as the licensed premises. Retail marijuana establishment licenses shall not be permitted in any Residential Zone District. Retail marijuana stores shall only be permitted in the Commercial Zone District. Retail cultivation facilities shall only be allowed in the Industrial Zone District. Retail marijuana product manufacturing facilities shall only be allowed in the Industrial Zone District. Retail marijuana testing facilities shall only be allowed in the Industrial Zone District.

(Ord. 3, §8, 2017; Amended Ord. 1, §8, 2020)

- <u>5.22.090</u> Buffering Requirements. Retail marijuana establishments must satisfy the following minimum distance requirements from the described uses below. Prior to issuing a retail marijuana establishment license, the Local Licensing Authority shall confirm that the proposed licensed premises boundaries meet the buffering requirements.
- A. <u>Distance from Schools.</u> Retail 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. <u>Distance from Residential Childcare Facilities.</u> Retail 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 uses to the boundaries of the proposed licensed premises.
- C. <u>Distance from Parks.</u> Retail 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 parks to the boundary of the licenses premises.
- D. Once the retail 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 retail

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 retail marijuana establishment near a school or residential childcare facility.

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

(Ord. 3, §9, 2017; Amended Ord. 1, §9, 2020)

#### 5.22.100 General Licensing Conditions.

- A. Except as specifically provided herein, the issuance of a license for a retail marijuana establishment by the Town shall be subject to compliance with all provisions of Part 3 of Article 10 of Title 44, C.R.S.
- B. The license requirements set forth in this Chapter 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, an excise 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 Chapter 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 retail marijuana establishment is operated. A separate license shall be required for each specific business or business entity, for each geographical location and for each co-located retail marijuana establishment.
- E. The submission of an application for the issuance of a license under this Chapter 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 retail marijuana establishment in the Town.

(Ord. 3, §10, 2017; Amended Ord. 1, §10, 2020)

## 5.22.110 License Application Requirements.

- A. <u>Start Date.</u> The Local Licensing Authority shall receive and process all applications for retail marijuana establishment licenses beginning on August 24, 2017.
- B. <u>Application Materials.</u> An application for a retail 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 Chapter 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 retail 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 retail 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 3 or 4 of Title 44, 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 retail 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 retail marijuana establishment. If the property is subject to a declaration of covenants and restrictions and an owners' association, a signed statement from the owners' association consenting

to the use of the property for a retail marijuana establishment shall be provided.

# 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 retail 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 retail marijuana establishment including the following information:
  - a. A description of the products and services to be sold or provided by the retail marijuana establishment.
  - b. A dimensioned floor plan of the proposed premises clearly labeled, showing:
    - the layout of the structure and the floorplan in which the retail 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 retail marijuana is proposed to occur on the licensed premises.
- 7. For a retail marijuana testing facility or retail marijuana products manufacturing facility, a plan that specifies all means to be used for extraction, heating, washing, or otherwise changing the form of the marijuana plant, or the testing of any marijuana, and verification of

- compliance with all applicable State and local laws for ventilation and safety measures for each process.
- 8. The maximum amount of retail marijuana or retail marijuana products that may be on the business premises at any one time.
- 9. A security plan indicating how the applicant will comply with the requirements of this Chapter 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.
- 10. A lighting plan showing the illumination of the outside area of the retail marijuana establishment for security purposes.
- 11. 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, or to any other facility identified in this Chapter that requires a distance separation from licensed retail marijuana establishments.
- 12. Fingerprints and personal histories for all owners and parties having a financial interest in the proposed retail marijuana establishment as defined in this Chapter. All such individuals shall be subject to a criminal background check in conjunction with the license application and review.
- 13. A plan for disposal of any retail marijuana or product that is not sold or is contaminated in a manner that protects any potion thereof from being possessed or ingested by a person or animal.
- 14. 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.

- 15. 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 retail marijuana establishment, that will be used, kept or created at the retail marijuana establishment and the location where such materials will be stored.
- 16. An application for a retail marijuana establishment license shall be accompanied by the application fee, operational 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 operational fee shall be refunded to the applicant.

(Ord. 3, §11, 2017; Amended Ord. 1, §11, 2020)

5.22.120 Inspection Required. An inspection of the proposed retail 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 retail marijuana or marijuana 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 Chapter, and any other applicable law, rule or regulation such as building codes.

(Ord. 3, §12, 2017; Amended Ord. 1, §12, 2020)

<u>5.22.130</u> Issuance of License. The Dinosaur Local Licensing Authority shall not issue a retail 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 Chapter 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 Chapter and any other applicable ordinances of the Town of Dinosaur and the Colorado Marijuana Code.

(Ord. 3, §13, 2017; Amended Ord. 1, §13, 2020)

5.22.140 Release of Information. Any signature on an application for the issuance, transfer or modification of a license for a retail marijuana establishment or for a change in business manager or other amendment to the license shall constitute a release for purposes of allowing the Town to conduct investigations regarding the personal histories and character of all interested parties and shall constitute a consent to the release of any information obtained by the Town through such process as a public record under the Colorado Open Records Act, including, but not limited to, criminal history reports conducted by the Town or any other authorized agency and all financial disclosures obtained by the Town or any other entity.

(Ord. 3, §14, 2017; Amended Ord. 14, §1, 2020)

<u>5.22.150</u> <u>License Fees and Charges.</u> Applicants for new retail marijuana establishment licenses or existing licensees shall pay the following fees:

	T
New application for retail marijuana store	\$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 for retail marijuana cultivation	\$4,000.00
facility	(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 retail marijuana	\$4,000.00
manufacturing facility	(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 retail marijuana testing facility	\$3,000.00
	(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 retail marijuana	\$2,500.00
establishment license	
Annual Operating Fee	\$2,000.00
	(1/2 of such operational fee shall be refunded
	if initial application is withdrawn or if initial
	license is not issued by Town)
Change in Direct Beneficial Interest Owners	\$2,500.00
(Change of Ownership Structure)	
Transfer of Ownership	\$5,000.00

The fees above apply to each license issued, and a business with multiple locations in the Town must pay separate fees for each location. The appropriate fees must be paid in conjunction with any application or request before the Town will process or act upon forms submitted. Except as indicated above, all fees are non-refundable in the entirety. No fees previously paid by a licensee in connection with a license shall be refunded if the licensee's license is subsequently suspended or revoked.

(Ord. 3, §15, 2017; Amended Ord. 2, § 1, 2018; Amended Ord. 1, §15, 2020)

## 5.22.160 Persons Prohibited as Licensees and Business Mangers.

- A. No license approval provided by this Chapter shall be issued to or held by:
  - 1. Any person whose criminal history indicates the person is not of good moral character;
  - Any corporation, any of whose officers', directors' or stockholders' criminal histories and record indicate such person is not of good moral character;
  - 3. Any partnership, association, or company, any of whose officers', or any of whose members', criminal histories and record indicate such person is not of good moral character;
  - 4. Any person employing, assisted by, or financed in whole or in part by any other person whose criminal history and record indicate such person is not of good moral character;
  - 5. Any cooperative association, any of whose officers', directors', or stockholders' or members' criminal histories and record indicate that such person is not of good moral character;
  - 6. A person under twenty-one (21) years of age;
  - 7. A person approved pursuant to this Chapter who, during a period of licensure or approval, or who, at the time of application, has failed to:
    - File any tax return with a taxing agency related to the operation of a retail marijuana establishment or medical marijuana establishment;
    - b. Pay any taxes, interest, or penalties due to a taxing agency relating to the operation of a retail marijuana establishment or medical marijuana establishment.

# 8. A person who:

- a. Has discharged a sentence for a conviction of a felony in the five (5) years immediately preceding his or her application date; or
- b. Has discharged a sentence for a conviction of a felony pursuant to any State or federal law regarding the possession, distribution, manufacturing, cultivation, or use of a controlled substance in the ten (10) years immediately preceding his or her application date or five (5) years from May 28, 2013, whichever is longer; except that the Local Licensing Authority may grant a license to a person if the person has a State felony conviction based on possession or use of marijuana or marijuana concentrate that would not be a felony if the person were convicted of the offense on the date he or she applied for a license;
- A person who employs another person at a retail marijuana establishment who has not submitted fingerprints for a criminal history record check or whose criminal history record check reveals that the person is ineligible;
- 10. A sheriff, deputy sheriff, police officer, or prosecuting officer, or an officer or employee of the State Licensing Authority or the Local Licensing Authority;
- 11. A person applying for a license for a location that is currently licensed as a retail food establishment or wholesale food registrant; or a publicly traded company.
- B. In investigating the qualifications of an applicant or a licensee, the Local Licensing Authority may have access to criminal history record information furnished by a criminal justice agency subject to any restrictions imposed by such agency. In the event the Local Licensing Authority considers the applicant's criminal history record, the Local Licensing Authority shall also consider any information provided by the applicant regarding such criminal history record, including but not limited to, evidence of rehabilitation, character references, and educational achievements, especially those items pertaining to the time between the applicant's last criminal conviction and the consideration of the application for a retail marijuana establishment license. As used in this Section, "criminal justice agency" means any federal, State or municipal court or any governmental agency or subunit of such agency that administers criminal justice pursuant to a statute or executive order and that allocates a substantial part of its annual budget to the administration of criminal justice.
- C. The focus of the inquiry into the character and record of any person associated with the operation of a retail marijuana establishment shall be whether the person's character is

such that violations of State law or municipal ordinances pertaining to the possession and distribution of marijuana and/or the operation of retail marijuana establishments would be likely to result if a license were granted.

- D. A direct beneficial interest owner who is a natural person must either:
  - 1. Have been a resident of Colorado for at least one (1) year prior to the date of the application; or
  - 2. Be a United States citizen prior to the date of the application. A retail marijuana business may be comprised of an unlimited number of direct beneficial interest owners that have been residents of Colorado for at least one (1) year prior to the date of application. A retail marijuana business that is comprised of one (1) or more direct beneficial interest owners who have not been Colorado residents for at least one (1) year prior to submittal of the application shall have at least one (1) officer who has been a Colorado resident for at least one (1) year prior to submittal of the application and all officers with day to day operational control over the business must become Colorado residents for at least one (1) year prior to the submittal of the application. A retail marijuana business is limited to no more than fifteen (15) direct beneficial interest owners, including all parent and subsidiary entities, all of whom are natural persons. A direct beneficial interest owner that is a closely held business entity must consist entirely of natural persons who are United States citizens prior to the date of the application, including all parent and subsidiary entities.
  - 3. A retail marijuana business may include qualified institutional investors that own thirty percent (30%) or less of the retail marijuana business.
  - 4. A person who intends to apply as a direct beneficial interest owner and who is not a Colorado resident for at least one (1) year prior to the date of the application shall first submit a request to the State Licensing Authority for a finding of suitability as a direct beneficial interest owner. The person shall receive a finding of suitability prior to submitting an application to the State Licensing Authority to be a direct beneficial interest owner. Failure to receive a finding of suitability prior to application shall be grounds for denial by the State Licensing Authority or Local Licensing Authority.
  - 5. The State Licensing Authority shall perform a limited initial background check on qualified limited passive investors. If the initial background check provides reasonable cause for additional investigation, the State Licensing Authority may require a full background check. The State Licensing Authority shall review the retail marijuana business's operating documents to ensure compliance with this Section.

- 6. For the purposes of this subsection, unless the context otherwise requires, "institutional investor" means:
  - a. An employee benefit plan or pension fund that is subject to the federal "Employee Retirement Income Security Act of 1974", as amended, excluding an employee benefit plan or pension funds sponsored by a licensee or an intermediary holding company licensee that directly or indirectly owns five percent (5%) or more of a licensee:
  - b. A State or federal government pension plan;
  - c. A group comprised entirely of persons specified above; or
  - d. Any other entity identified through rule by the State Licensing Authority.

(Ord. 3, §16, 2017; Amended Ord. 1, §16, 2020)

## 5.22.170 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 5.22.070, 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 operating fee;
  - 3. Whether the application complies with all of the requirements of this Chapter, the Colorado Retail Marijuana Code, and rules promulgated by the State Licensing Authority;
  - 4. Whether the application contains any material misrepresentations;
  - 5. Whether the proposed retail marijuana establishment complies with the Town's requirements set forth in Chapter 14.04. The Local Licensing Authority shall make specific findings of fact with respect to whether the building in which the proposed retail marijuana business will be located conforms to the distance requirements set forth in Section 5.22.090 of this Chapter;

- 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 Marijuana Code.
- C. The Local Licensing Authority may impose reasonable conditions upon any license approval or renewal issued pursuant to this Chapter.
- D. After the initial granting of a retail marijuana business license, if such license becomes available for issuance to another licensee, the Town Clerk shall publish the availability of the license and assign priority by lot to each completed application approved by the Local Licensing Authority received within thirty (30) days following action of the Local Licensing Authority.
- E. No person, person associated with a business entity, or business entity shall own, operate, manage, control or hold any interest in more than one (1) retail marijuana establishment in the Town. Retail cultivation license approval shall not be subject to this limit if the licensee holds or has successfully applied for a retail marijuana store license.
- 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 an approval until the applicant has been issued a license by the Local Licensing Authority in accordance with the applicant's priority by lot.

(Ord. 3, §17, 2017; Amended Ord. 1, §17, 2020)

<u>5.22.180</u> Contents and Display of Approval. The approved licensee shall post the certificate of approval by the Local Licensing Authority in a conspicuous location on the premises. A retail marijuana establishment approval shall contain the following information:

## A. <u>Type of Approval:</u>

- 1. Type of approval;
- 2. The name of the licensee;
- 3. The date of issuance of the approval;

- 4. The street address at which the licensee is authorized to operate the retail marijuana establishment;
- 5. Any conditions of approval imposed upon the license by the Local Licensing Authority;
- 6. The date of expiration of the approval; and
- 7. The signature of the Town Clerk.

(Ord. 3, §18, 2017; Amended Ord. 1, §18, 2020)

## 5.22.190 Transfer of Ownership/Changes in Ownership Structure.

- A. A license granted under the provisions of this Chapter is not transferrable except as provided in this Section, but this Section does not prevent a change of location as provided in Section 5.22.200.
- B. For a transfer of ownership, a license holder shall apply to the State Licensing Authority on forms prepared and furnished by the State Licensing Authority. Upon receipt of an application for transfer of ownership, the State Licensing Authority shall submit, within seven (7) days, a copy of the application to the Local Licensing Authority to determine whether the transfer complies with local restrictions on transfer of ownership. In determining whether to permit a transfer of ownership, the State Licensing Authority shall consider only the requirements of Article 10 of Title 44, C.R.S., any rules promulgated by the State Licensing Authority and any local restrictions. The Local Licensing Authority may hold a hearing on the application for a transfer of ownership. However, the Local Licensing Authority shall not hold a hearing pursuant to this subsection until the Local Licensing Authority has posted a notice of hearing in the manner described in Section 44-10-303(2), C.R.S. on the licensed premises for a period of ten (10) days and has provided notice of the hearing to the applicant at least ten (10) days prior to the hearing. The Local Licensing Authority shall then approve or reject the proposed transfer of ownership.
- C. Changes in direct beneficial interest owners or a change in ownership structure that do not result in a person increasing that person's interest from less than ten percent (10%) to more than ten percent (10%) shall be reported to the Local Licensing Authority and may be approved administratively by the Town Clerk.

(Ord. 3, §1, 2017; Amended Ord. 2, §2, 2018; Amended Ord. 1, §1, 2020)

## 5.22.200 Change in Location.

A. A licensee may move its permanent location to another location in the Town, but it shall be unlawful to cultivate, manufacture, distribute, or sell retail marijuana at any such place

until permission to do so is granted by the Local Licensing Authority and the State Licensing Authority.

- B. In permitting a change of location, the Local Licensing Authority shall consider all reasonable restrictions that are or may be placed on the new location and any such new location shall comply with all requirements of this Chapter, the Town's zoning provisions, the Colorado Retail Marijuana Code, and rules promulgated by the State Licensing Authority.
- C. The Local Licensing Authority shall not authorize a change of location until the applicant produces a license issued and granted by the State Licensing Authority covering the period for which the change of location is sought.

(Ord. 3, §20, 2017; Amended Ord. 1, §20, 2020)

#### 5.22.210 Suspension or Revocation of a License.

- A. A license approval granted pursuant to this Chapter may be suspended or revoked by the Local Licensing Authority or a hearing officer appointed by the Local Licensing Authority after a hearing for the following reasons:
  - 1. Fraud, misrepresentation, or a false statement of material fact contained in the license application;
  - Any violation of a Town ordinance or State law pertaining to the operation of a retail marijuana establishment or a medical marijuana business, including regulations adopted by the State Licensing Authority, for the possession or distribution of marijuana or manufacturing of retail marijuana products;
  - 3. A violation of any of the terms and conditions of its license;
  - 4. A violation of any of the provisions of this Chapter;
  - 5. Failure to pay sales taxes, occupation taxes, excise taxes or operational fees to the State of Colorado or the Town of Dinosaur when due and owing.
- B. In deciding whether a retail marijuana establishment license should be suspended or revoked, and in deciding whether to impose conditions in the event of a suspension, the Local Licensing Authority shall consider:
  - 1. The nature and severity of the violation;
  - 2. Corrective action, if any, taken by the licensee;

- 3. Prior violation(s), if any, by the licensee;
- 4. The likelihood of a reoccurrence of the violation;
- 5. The circumstances of the violation;
- 6. Whether the violation was willful; and
- 7. Previous sanctions if any imposed on the licensee.
- C. The provisions of Part 9 of the Colorado Marijuana Code shall govern proceedings for the suspension or revocation of a license granted pursuant to this Chapter. The Local Licensing Authority may not impose a fine in lieu of a suspension as authorized under the provisions of the Colorado Marijuana Code.

(Ord. 3, §21, 2017; Amended Ord. 1, §21, 2020)

## 5.22.220 Operational Requirements.

- A. Retail marijuana stores 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 marijuana may occur upon the premises outside of those hours. A licensed cultivation facility or its contracted agent may deliver marijuana and marijuana products to retail stores on any day and at any time except between the hours of 9:00 p.m. and 7:00 a.m. Retail marijuana cultivation facilities, retail marijuana product manufacturing facilities and retail marijuana testing facilities may conduct business operations on the licensed premises at any time.
- B. A retail marijuana establishment shall be operated and maintained strictly in accordance with the license application.
- C. All retail marijuana establishments shall collect and remit all applicable State, County and Town sales taxes, occupation taxes, excise taxes or other lawfully imposed tax in a timely manner.
- D. No marijuana or products containing marijuana shall be smoked, eaten or otherwise consumed or ingested within the retail marijuana establishment.
- E. No person under twenty-one (21) years of age shall be allowed within the business premises of a retail marijuana establishment. No person shall be allowed entry into the business premises without showing a valid photo identification in accordance with the requirements of the Colorado Marijuana Code.
- F. Any and all possession, storage, display or sales or other distribution of marijuana and testing of marijuana shall occur only within the restricted area of a retail marijuana

establishment or retail marijuana testing facility and shall not be visible from the exterior of the business.

- G. Each licensee shall manage the licensed premises himself or herself or employ a separate business manager on the premises. The licensee shall report any change in business manager to the Town within seven (7) days after the change.
- H. For all retail marijuana establishments, 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. Retail marijuana cultivation facilities must implement appropriate ventilation and filtration systems to satisfy this odor nuisance standard. Retail marijuana stores, retail marijuana product manufacturing facilities, and retail marijuana testing 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 retail marijuana establishments 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.
- I. Retail marijuana product manufacturing facilities and retail marijuana testing facilities shall include appropriate ventilation systems to mitigate noxious gases or other fumes used or created as a part of the production.
- J. Outdoor cultivation, preparation or purchasing of marijuana or marijuana products is strictly prohibited.
- K. Areas in which marijuana is grown in retail marijuana cultivation facilities shall be equipped with green lights, or an equivalent means of illumination, to enable access and inspection during dark cycles.
- L. A retail marijuana store may not sell more than one (1) ounce of retail marijuana or its equivalent in retail marijuana products including retail marijuana concentrate, except for non-edible, non-psychoactive retail marijuana products, including ointments, lotions, balms and other non-transdermal topical products to the same person within a twenty-four (24) hour period. The licensee shall develop a tracking system to ensure that this requirement is complied with.
- M. Prior to initiating a sale, the employee of a retail marijuana store making the sale shall verify that the purchaser has a valid photo identification card showing the purchaser is twenty-one (21) years of age or older. If a person under twenty-one (21) 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 Chapter. If a retail marijuana store licensee or employee has reasonable cause to believe that a person is under twenty-one (21) years of age and is exhibiting fraudulent proof of age in an attempt to obtain any retail 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 retail marijuana store licensee or employee believes that a person is under twenty-one (21) years of age and is exhibiting fraudulent proof of age in an attempt to obtain any retail marijuana or retail 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 or the employee civilly or criminally liable for slander, false arrest, false imprisonment, malicious prosecution, or unlawful detention.

- N. The retail 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.
- O. Any sale of retail marijuana shall be made in person, directly to the purchaser, within the restricted area of the retail marijuana establishment. No sale shall be made by a telephone, internet or other means of remote purchase. Delivery shall occur only in person to the purchaser at the time of purchase within the restricted area of the retail marijuana establishment.
- P. It shall be unlawful for any retail 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.
- Q. 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 retail marijuana. The label shall be in compliance with all applicable requirements of the State of Colorado.
- R. All retail marijuana testing facilities shall operate in compliance with all applicable State laws and regulations adopted pursuant to such laws including but not limited to Section 44-10-604, C.R.S.
- S. Retail marijuana stores are encouraged to provide customers with the contact information for local drug abuse treatment centers as well as educational materials regarding the hazards of substance abuse.

- T. No firearms, knives, or other weapons shall be permitted in a retail marijuana store except those carried by sworn peace officers, those persons having concealed weapons permits, and those carried by security personnel hired by the retail marijuana establishment.
- U. Marijuana shall not be consumed or used on the premises of a retail marijuana store and it shall be unlawful for a retail marijuana store licensee to allow marijuana to be consumed upon its licensed premises. In the case of a retail marijuana store located in a structure with a legal secondary unit or other legal dwelling unit, the dwelling unit shall not be considered part of the retail marijuana store premises if access to the dwelling unit is prohibited to the retail marijuana store customers.
- V. The Dinosaur Town Marshal or other appropriate Town employee shall report to the Town Clerk all violations of this Chapter 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.

(Ord. 3, §22, 2017; Amended Ord. 1, §22, 2020)

# 5.22.230 Requirements Relating to Monitoring and Security of Restricted Areas and Inventory.

- A. All components of the security plan submitted with the application, as it may be amended, shall be in good working order, monitored and secured twenty-four (24) hours per day. A separate security system is required for each business. A security plan must include, at a minimum, the following security measures:
  - 1. Cameras. Retail marijuana establishments shall include and use color security cameras to monitor and record all areas of the premises (excluding restrooms), including all areas where persons may gain or attempt to gain access to marijuana or cash maintained by the retail marijuana establishment. Cameras shall record operations of the business to an off-site location, and shall record all potential areas of ingress or egress to the business with sufficient detail to identify facial features and clothing. Recordings from security cameras shall be maintained by the licensee for a minimum of forty (40) days in a secure off-site location in the Town or through a service over a network that provides on-demand access, commonly referred to as a "cloud".
  - 2. Storage. The retail marijuana establishment shall install and use a safe room or safe anchored to a wall or floor for storage of any inventory, processed marijuana and cash on the premises when the business is closed to the public. Safe rooms shall be incorporated into the building structure and shall have solid core doors with commercial grade locks and shall be visible through the surveillance camera system. For retail marijuana

products that must be kept refrigerated or frozen, the business may lock the refrigerated container or freezer in a manner authorized by the Town in place of the use of a safe so long as the container is affixed to the building structure and visible through the surveillance camera system.

3. Alarm system. The retail marijuana establishment shall install and use an alarm system that is monitored by a company that is staffed twenty-four (24) hours a day, seven (7) days a week. The security plan submitted to the Town shall identify the company monitoring the alarm system, including contact information. Any modification relative the company monitoring the alarm system shall be reported to the Town within seventy-two (72) hours.

(Ord. 3, §23, 2017; Amended Ord. 1, §23, 2020)

# 5.22.240 Signage and Advertising.

- A. A retail marijuana establishment may not advertise in a manner that is misleading, deceptive, false or is designed to appeal to minors.
- B. Except as otherwise provided in this Section, it shall be unlawful for any person licensed under this Chapter or any other person to advertise any retail marijuana establishment or any retail marijuana infused product anywhere within the Town where the advertisement is in plain view of, or in, a place open to the general public, including advertising and using any of the following media: any billboard or other outdoor general advertising device; any sign mounted on a vehicle; any handheld or other portable sign; or any hand bill, leaflet or flyer directly handed to any person in a public place, left upon a motor vehicle, or posted upon any public or private property. The prohibition set forth in this Section shall not apply to:
  - 1. Any sign located on the licensed premises of a retail marijuana establishment which exists solely for the purpose of identifying the location of the premises and which otherwise complies with this Chapter and any other applicable Town laws and regulations; or
  - 2. Any advertisement contained within a newspaper, magazine, or other periodical of general circulation within the Town or on the internet.
- C. No retail marijuana establishments shall distribute or allow the distribution of any marijuana without charge within a retail marijuana establishment or at any other place in the Town for purposes of promotion, advertising, or any other similar purpose.

(Ord. 3, §24, 2017; Amended Ord. 1, §24, 2020)

5.22.250 Right of Entry-Records to be Maintained and Inspection Procedures.

- A. Each licensee of a retail marijuana establishment shall keep and maintain a complete set of books of accounting, invoices, copies of orders and sales, shipping receipts, bills of lading, correspondence, and all other records necessary to fully document the business transactions of such licensee. The licensee shall also maintain records which verify that the amount of marijuana within the retail marijuana establishment does not exceed the amount allowed. All such records shall be open at all times during business hours for inspection and examination by the Town Marshal or his duly authorized representatives. The Town may require the licensee to furnish such information as it considers necessary for the proper administration of this Chapter. The records shall clearly show the source, amount, price and dates of all retail marijuana received or purchased, and the amount, price, and dates for all retail marijuana sold.
- B. By accepting the retail marijuana establishment license, licensee consents to the disclosure of the information required by this Section.
- C. The Town may require an audit of the books of account and records of the retail 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, occupation taxes or excise taxes due to the Town, the expense of the audit shall be paid by the licensee.
- D. The acceptance of a retail 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 retail marijuana establishment to assure that the retail 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 Chapter, the Colorado Marijuana Code, and any rules or regulations promulgated thereunder.
- E. All retail 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, occupation taxes and excise taxes in a timely manner. The retail marijuana business license and sales tax license for the business shall be conspicuously posted in the business.

(Ord. 3, §25, 2017; Amended Ord. 1, §25, 2020)

## 5.22.260 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, distribution or testing of marijuana for retail or recreational

use shall also apply to retail marijuana establishments licensed within the Town. Provided, however, if a State law or regulation permits what this Chapter prohibits, this Chapter shall control.

(Ord. 3, §26, 2017; Amended Ord. 1, §26, 2020)

## 5.22.270 Violations; Penalty.

- A. Any person, other than a licensee of a retail marijuana establishment, who violates any provision of this Chapter 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.
- B. Any licensee of a retail marijuana establishment who violates any provisions of this Chapter shall be subject to civil penalties of up to one thousand dollars (\$1,000.00) for each day during which such violation occurs or continues. Each day on which a violation shall occur or continue shall be deemed a separate and distinct offense. Following notice and hearing, the Local Licensing Authority may impose such civil penalties.

(Ord. 3, §27, 2017; Amended Ord. 1, §27, 2020)

# Chapter 5.25

# MEDICAL MARIJUANA LICENSING-GENERAL PROVISIONS

# **Sections:**

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5.25.260	Right of Entry; Audit of Records.
5.25.270	Suspension and Revocation of License.
5.25.280	Compliance with Other Applicable Laws.
5.25.290	Violations; Penalty.

<u>5.25.010</u> 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 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 Marijuana Code, Article 10 of Title 14, 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 Chapter 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 Chapter is not intended to regulate retail marijuana businesses which are governed by Chapter 5.22 of the Dinosaur Municipal Code.
- E. This Chapter 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 Chapter is to implement the Medical Marijuana Amendment in a manner consistent with Article 10 of Title 14, 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 Chapter 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 Chapter.
- 5. Facilitate the implementation of the Medical Marijuana Amendment without going beyond the authority granted by such Amendment.

(Ord. 2, §1, 2017)

<u>5.25.020</u> <u>Definitions.</u> The following words and phrases used in this Chapter 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 44-10-103(17), C.R.S.

Laws of the State of Colorado shall mean and include Section 14 of Article XVIII of the Colorado Constitution; the Colorado Marijuana Code, Article 10 of Title 44, 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 Chapter and the Colorado 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 Chapter and the Laws of the State of Colorado.

Licensee shall have the same meaning as set forth in Section 44-10-103(25), 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 44-10-103(34), C.R.S.

Medical Marijuana Business shall mean a person holding a medical marijuana center license, as defined in Section 44-10-103(40), C.R.S.; a medical marijuana-infused products manufacturer license, as defined in Section 44-10-103(39), C.R.S.; and/or an optional premises cultivation operation license, as defined in Section 44-10-502, C.R.S. For the purposes of this Chapter, 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 or Store shall have the same meaning as set forth in Section 44-10-103(40), C.R.S.

*Medical Marijuana-Infused Products Manufacturer* shall have the same meaning as set forth in Section 44-10-103(39), 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.

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 44-10-201, 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 Chapter or the context clearly indicates otherwise, any word or term used in this Chapter that is defined in Article XVIII, Section 14(1)(f) of the Colorado Constitution or in the Colorado Marijuana Code shall have the same meaning that is ascribed to such word or term in the Colorado Constitution or in the Colorado Marijuana Code.

(Ord. 3, §2, 2017)

#### 5.25.030 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 Chapter, 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 Chapter.
- 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 10 of Title 44, C.R.S., medical marijuana businesses shall be licensed by the Town in one or more of the following categories:
  - 1. Medical Marijuana Center or Store, as defined in Section 44-10-103(40), C.R.S. Such center shall meet all criteria and requirements of Section 44-10-501, C.R.S. as well as all other regulatory requirements applicable to medical marijuana centers set forth within this Chapter, and within Article 10, Title 44, C.R.S., and the regulations promulgated thereunder.
  - 2. Medical Marijuana-Infused Products Manufacturer, as defined in Section 44-10-103(36), C.R.S. Such business shall meet all criteria and requirements of Section 44-10-503, C.R.S., as well as all other regulatory requirements applicable to medical marijuana-infused products manufacturing set forth in this Chapter and within the laws of the State of Colorado, and the regulations promulgated thereunder.
  - 3. Medical Marijuana Cultivation Operation, as defined in Section 44-10-103(37), C.R.S. Such cultivation operation shall meet all criteria and requirements of Section 44-10-502, C.R.S., as well as all other regulatory requirements applicable to medical marijuana cultivation operations set forth in this Chapter and within the laws of the State of Colorado, and the regulations promulgated thereunder. A medical marijuana 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 medical marijuana-infused products manufacturer's operation.

- D. The licensing requirements set forth in this Chapter 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.
- E. 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.
- F. The issuance of a license pursuant to this Chapter 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.
- G. Every license issued under this Chapter confers only a limited and conditional privilege subject to the requirements, conditions, and limitations of this Chapter 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 Chapter shall be subject to the future exercise of the reserved rights of referendum and initiative, exercise of the local option described in Section 44-10-104, C.R.S., and any other future ordinances adopted by the electors of the Town or the Town Council. Nothing contained in this Chapter grants to any licensee any vested right to continue operating under the provisions of this Chapter 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.
- H. A separate license shall be required for each location from which a medical marijuana business is operated.
- I. 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.
- J. 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 5.25.140 of this Chapter.

(Ord. 2, §3, 2017)

# 5.25.040 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 Chapter and the Colorado 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 Chapter.
- 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.

(Ord. 2, §4, 2017)

5.25.050 Limitation on the Number of Licenses That May Be Issued Within the Town. A maximum of four (4) medical marijuana or store licenses, four (4) medical marijuana manufacturing licenses, and four (4) 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 Chapter and the Colorado Marijuana Code during the previous license term and is in good standing.

(Ord. 2, §5, 2017)

<u>5.25.060</u> Issuance of Initial License. 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 5.25.050 of this Chapter, 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 5.25.050 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.

(Ord. 2, §6, 2017)

<u>5.25.070</u> 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. Cultivation facilities shall only be allowed in the Industrial Zone District. Medical marijuana product manufacturing facilities shall only be allowed in the Industrial Zone District.

(Ord. 2, §7, 2017)

- <u>5.25.080</u> 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. <u>Distance from Schools.</u> 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. <u>Distance from Residential Childcare Facilities.</u> 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. <u>Distance from Parks.</u> 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.

(Ord. 2, §8, 2017)

### 5.25.090 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 Chapter 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 Chapter 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 Chapter 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.

(Ord. 2, §9, 2017)

### 5.25.100 License Application Requirements.

- A. <u>Start Date.</u> The Local Licensing Authority shall receive and process all applications for medical marijuana establishment licenses beginning on August 24, 2017.
- B. <u>Application Materials.</u> 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 Chapter 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 in 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:
    - 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;
    - 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 Chapter 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 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 Chapter. 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.

(Ord. 2, §10, 2017)

5.25.110 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 Chapter, and any other applicable law, rule or regulation such as building codes.

(Ord. 2, §11, 2017)

<u>5.25.120</u> 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 Chapter 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 Chapter and any other applicable ordinances of the Town of Dinosaur and the Colorado Marijuana Code.

(Ord. 2, §12, 2017)

### 5.25.130 Application and License Fees.

A. Application and license fees for Medical Marijuana Businesses shall be as follows:

New license application for medical marijuana	\$5,000.00
center	(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 medical marijuana	\$4,000.00
cultivation operation	(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 products	\$4,000.00
manufacturing operation	(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	\$2,500.00
business license	
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 Chapter.
- 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.

(Ord. 2, §13, 2017)

### 5.25.140 Procedure 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 Chapter shall be approved unless:

- A. All applicable requirements of this Chapter have been satisfied;
- B. All applicable requirements of the Colorado 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.

(Ord. 2, §14, 2017)

### 5.25.150 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 5.25.060, 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 Chapter, the Colorado 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 provisions. 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 5.25.080 of this Chapter;
  - 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 Marijuana Code.

- C. The Local Licensing Authority may impose reasonable conditions upon any license approval or renewal issued pursuant to this Chapter.
- 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) medical marijuana 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.

(Ord. 2, §15, 2017)

### 5.25.160 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 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 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 Chapter;
- 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.

(Ord. 2, §16, 2017)

# 5.25.170 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.

(Ord. 2, §17, 2017)

# <u>5.25.180</u> 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. <u>No Products to be Visible from Public.</u> 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. <u>No Beer or Alcohol on Premises.</u> 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. <u>Restrictions Regarding Signage.</u> All signage associated with a medical marijuana business shall meet the standards established in the Dinosaur Municipal Code. 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. <u>Storage of Products.</u> All products and accessories shall be stored completely indoors and on-site out of public view.
- G. <u>Restrictions on Location of Transactions</u>. All transactions involving medical marijuana shall occur indoors and out of view of the public.
- H. <u>Consumption of Marijuana Prohibited.</u> No consumption of any medical marijuana product shall be allowed or permitted on the licensed premises or adjacent grounds.
- I. <u>Underage Persons Prohibited</u>. 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 Marijuana Code.
- J. <u>Gun Sales and Pawn Shop Activities Prohibited</u>. No gun sales or pawn shop activities shall be permitted on the licensed premises.

- K. <u>Storage of Currency.</u> 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 cultivation facilities must implement appropriate ventilating and filtration systems to satisfy this odor nuisance standard. Medical marijuana centers and medical marijuana product manufacturing facilities are not required to install filtration equipment on the licensed premises but must satisfy these odor While the Town does not mandate any particular equipment threshold requirements. 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. <u>Compliance with Other Codes.</u> 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. <u>No Harm to Public Health, Safety and Welfare.</u> 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. Proof of Age. 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 Chapter. 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. <u>Amount of Marijuana on Premises.</u> 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. <u>License and Badges.</u> 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. <u>Labeling of Products.</u> All 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.
- S. <u>Weapons Prohibited.</u> 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.
- T. <u>Town Clerk to Maintain Records.</u> The Dinosaur Town Marshal or other appropriate Town employee shall report to the Town Clerk all violations of this Chapter 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.

(Ord. 2, §18, 2017)

### 5.25.190 Specific Requirements for a Medical Marijuana Center (Store).

A. Every person selling medical marijuana shall sell only medical marijuana grown in a licensed medical marijuana cultivation facility licensed pursuant to law. In addition to medical marijuana, a medical marijuana center (store) may sell no more than six (6) immature plants to a patient; except that a medical marijuana center (store) 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 (store) 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 (store) 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.

- B. 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.
- C. 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.

(Ord. 2, §19, 2017)

# <u>5.25.200</u> Specific Requirements for Medical Marijuana Cultivation Operation License.

- A. Cultivation of medical marijuana shall only be permitted inside a building.
- B. 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.
- C. 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.
- D. 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.

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

(Ord. 2, §20, 2017)

# <u>5.25.210</u> Specific Requirements for a Medical Marijuana Products Manufacturer's License.

- A. The applicant shall have a contract with a medical marijuana center (store), stating the type and quantity of medical marijuana-infused products that the medical marijuana center will buy from the licensee.
- B. A medical marijuana products manufacturer may cultivate its own medical marijuana if it obtains a medical marijuana cultivation facility license, or it may purchase medical marijuana from a licensed medical marijuana center (store) pursuant to Section 5.25.190 above. A medical marijuana products manufacturer shall track all of its medical marijuana from the point it is either transferred from its medical marijuana cultivation facility or the point when it is delivered to the medical marijuana products manufacturer from a licensed medical marijuana center (store) or a licensed medical marijuana cultivation facility to the point of transfer to a licensed medical marijuana center (store).
- 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 or store licensee, which contract shall at a minimum set forth the total amount of medical marijuana obtained from medical marijuana center (store) licensee to be used in the manufacturing process, and the total amount of medical marijuana products to be manufactured from the medical marijuana obtained from the medical marijuana center. A medical marijuana products licensee shall not use medical marijuana from more than five (5) different medical marijuana centers or stores in the production of one (1) medical marijuana product. The medical marijuana products manufacturing licensee may sell its products to any licensed medical marijuana center.
- E. All licensed premises on which medical marijuana products are manufactured shall meet the sanitary standards for medical marijuana products preparation promulgated under State law.
- F. The medical marijuana product shall be sealed and conspicuously labeled in compliance with State law and any rules promulgated thereunder.

- G. Medical marijuana products may not be consumed on a premises licensed pursuant to this Chapter.
- H. A medical marijuana products licensee may not have more than five hundred (500) medical marijuana plants on its premises or at its cultivation facility, except as otherwise permitted under State law.

(Ord. 2, §21, 2017)

### 5.25.220 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.

(Ord. 2, §22, 2017)

- <u>5.25.230 Major Changes to Medical Marijuana Business License or Licensed</u>
  <u>Premises Requiring Approval of the Local Licensing Authority.</u>
- 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 44-10-312, 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 5.25.130 of this Chapter.

(Ord. 2, §23, 2017)

5.25.240 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.

(Ord. 2, §24, 2017)

# 5.25.250 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 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.

(Ord. 2, §25, 2017)

### 5.25.260 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 Chapter, the Colorado 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.

(Ord. 2, §26, 2017)

### 5.25.270 Suspension and Revocation of License.

- A. In accordance with Section 44-10-901, C.R.S., as contained in the Colorado 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 44-10-901, 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 Marijuana Code or the rules and regulations promulgated thereunder;
  - 2. Good cause as defined in subsection (1) of Section 44-10-103(17), C.R.S., as contained in the Colorado Marijuana Code;
  - 3. Violation of any of the provisions set forth in this Chapter;
  - 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 Chapter;
  - 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;
- 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 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.

(Ord. 2, §27, 2017)

<u>5.25.280</u> Compliance with Other Applicable Laws. Except as may be otherwise provided in this Chapter, 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 Chapter prohibits, this Chapter shall control.

(Ord. 2, §30, 2017)

<u>5.25.290</u> <u>Violations; Penalty.</u> Any person who violates any provision of this Chapter 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.

(Ord. 2, §31, 2017)