

## ORDINANCE NO. 5064

### AN ORDINANCE TO AMEND TITLE 5 CREATING CHAPTER 13 IN THE GRAND JUNCTION MUNICIPAL CODE TO INCLUDE CERTAIN MARIJUANA, ALSO KNOWN AS CANNABIS, USES, LICENSES AND REGULATIONS IN THE CITY OF GRAND JUNCTION, COLORADO

#### RECITALS:

Federal law criminalizes the use and possession of marijuana as marijuana is categorized as a Schedule 1 controlled substance under the Controlled Substance Act. Federal law criminalizes knowing or intentional marijuana possession, even if a person has no intent to manufacture, distribute, or dispense marijuana.

On November 7, 2000, Colorado voters passed Amendment 20 which allows the use of marijuana in the state for approved patients with written medical consent. It allows the possession of up to two ounces of medical marijuana and cultivation of no more than six marijuana plants (three flowering plants) at a time for patients. Amendment 20 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.

On November 16, 2009, City Council, as an exercise of police powers, adopted Ordinance 4392 which declared a twelve-month moratorium on the licensing, permitting and operation of marijuana businesses in the City and provided penalties for any such violation. The moratorium applied to any person or entity applying to function, do business, or hold itself out as a medical marijuana dispensary in the City of Grand Junction, regardless of the person, entity, or zoning.

On June 7, 2010, Governor Ritter signed into law House Bill 10-1284 and Senate Bill 10-109 which, among other things, authorized the City to adopt an ordinance to license, regulate or prohibit the cultivation and/or sale of marijuana (C.R.S. 12-43.3-103(2)). The law also allowed a city to vote, either by a majority of the registered electors or a majority of the City Council, to prohibit the operation of medical marijuana dispensaries, optional premises cultivation operations and medical marijuana infused products manufacturers.

On October 4, 2010, City Council adopted Ordinance 4437 which prohibited the operation of medical marijuana businesses and amended the Grand Junction Municipal Code by adding Section 5.14.010 which prohibited certain uses relating to marijuana. Ordinance 4437 also extended the moratorium established by Ordinance 4392 to January 1, 2011. Prior to Ordinance 4437 becoming effective, a protest petition was filed and found to be sufficient, and Ordinance 4437 was suspended from taking effect. On October 13, 2010, City Council adopted Ordinance 4446 which extended the moratorium to July 1, 2011.



At the April 5, 2011, City election, the electorate voted in favor of prohibiting the operation of medical marijuana businesses and the amendment of the Grand Junction Municipal Code by adding a section that prohibited marijuana (referred to as Measure A).

On November 6, 2012, Amendment 64 was passed by the voters, amending Article 18 of the Colorado Constitution by adding Section 16 which allowed retail marijuana stores and made it legal for anyone 21 years or older to buy cannabis at such stores. In addition, Amendment 64 allowed anyone over 21 years of age to legally possess and consume up to one ounce of marijuana. Amendment 64 did not change the Federal law; it still remains illegal under Federal law to produce and/or distribute marijuana.

On February 6, 2013, City Council approved Resolution 07-13 adopting marijuana policies for the City and restrictions for persons or entities from applying to function, do business, or hold itself out as a marijuana facility, business, or operation of any sort in the City limits. Later that same year, City Council adopted Ordinance 4599 which prohibited the operation of marijuana cultivation facilities, marijuana product manufacturing facilities, marijuana testing facilities, and retail marijuana stores. Ordinance 4599 also amended Sections in Title 5, Article 15 of the Grand Junction Municipal Code that prohibited certain uses relating to marijuana.

In late 2015, the City, Mesa County and Colorado Mesa University, by and through the efforts of the Grand Junction Economic Partnership (GJEP), were successful in establishing the *Colorado Jumpstart* business development program. One business that was awarded the first *Jumpstart* incentive planned to develop a laboratory and deploy its advanced analytical processes for genetic research and its ability to mark/trace chemical properties of agricultural products, one of which was marijuana. In October 2016, City Council passed Ordinance 4722 which amended Ordinance 4599 and Section 21.04.010 of the Grand Junction Municipal Code to allow marijuana testing facilities in the City.

On January 20, 2021, the City Council approved Resolution 09-21, the adoption of which referred a ballot question to the regular municipal election on April 6, 2021, to repeal Measure A contingent on and subject to voter approval of taxation of marijuana businesses. A majority of the votes cast at the election were in favor of repealing the moratorium on marijuana businesses and in favor of taxation of marijuana businesses.

Accordingly, City Council has determined that certain cannabis businesses, subject to regulations adopted by the City, may operate within the City. City Council, with this ordinance, will amend the Grand Junction Municipal Code to provide rules and regulations for licensing and operating regulated cannabis businesses.

City staff and community members, including the Cannabis Working Group, have researched, reviewed, and discussed various approaches to taxation, permitting and regulation of cannabis. Regulations for marijuana uses have been established at the state level with the adoption and implementation of the Colorado Marijuana Code (C.R.S. 44-10-101, *et. seq.*); however, regulation of marijuana uses at the state level alone are not adequate to address the impacts of cannabis on the City.



In the interest of the public health, safety, and welfare the City intends to regulate the location and other aspects of marijuana businesses in a manner that is consistent with constitutional and statutory standards. To that end, the City intends to regulate the manner of operation and location of regulated cannabis businesses and in turn further the health, safety, and welfare of both the public and the businesses' customers.

Protection of the public health and safety will occur through reasonable limitations on business operations as they relate to air quality, integrating business operations with neighborhoods, minimum security standards for the businesses and their personnel, and other concerns. Sale of cannabis may impact health, safety, and community resources, and the proposed ordinance is intended to allow certain regulated cannabis businesses such that those businesses will have as minimal an impact and reduce potential negative impacts as reasonably is possible.

This ordinance amends the City's Code (also known as the GJMC) to include time, place, and manner restrictions for operating regulated cannabis businesses in the City while protecting the public health and safety through reasonable limitations on business operations. Regulated cannabis businesses may include retail and/or co-located retail and medical cannabis businesses.

Furthermore, this ordinance proposes the imposition of application and/or licensing fees to defray some of the City's costs of licensing regulated cannabis businesses.

This ordinance also requires buffering (distance requirements) of cannabis businesses:

1,000 feet from any private or public elementary school, middle school, junior high school, high school, Colorado Mesa University and Western Colorado Community College; and

500 feet from any services for prevention, treatment or recovery from substance use and mental health concerns, as licensed by the Colorado Department of Human Services, Office of Behavioral Health (OBH).

Lastly, this ordinance creates a mechanism for monitoring compliance of regulated cannabis businesses in coordination with the laws of the State of Colorado.

**NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION THAT:**

Title 5 Chapter 13 shall read as follows: (Additions to the GJMC are shown in **bold face type** – deletions or modifications are shown in ~~strikethrough~~.)

## 5.13.00 REGULATED CANNABIS

### 5.13.010 Purpose and legislative intent; incorporation of state law.

On January 20, 2021, the City Council approved Resolution 09-21, the adoption of which referred a ballot question to the regular municipal election on April 6, 2021, to repeal Referred Measure A contingent on and subject to voter approval of taxation of marijuana businesses. The voters approved the April 2021 ballot measures and by and with such authority, City Council intends to regulate the use, possession, and distribution of marijuana in a manner that is consistent with Article XVIII, Sections 14 and 16 of the Colorado Constitution and the Colorado Marijuana Code, C.R.S. § 44-10-101, *et seq.* With the adoption of this Chapter, any provisions of the City's Code that conflicts with this Chapter shall be superseded.

Article XVIII, Section 16(5)(g) of the Colorado Constitution authorizes a system of state licensing for businesses engaging in the regulated sale of marijuana, collectively referred to as "regulated marijuana establishments". This provision allows a municipality within its jurisdiction to prohibit licensing of regulated marijuana establishments; regulate the time, place, and manner in which regulated marijuana establishments may operate; and limit the total number of regulated marijuana establishments.

The authority of localities to prohibit or regulate regulated marijuana establishments within their respective jurisdictions, including the authority to engage in local licensing of marijuana establishments is also provided in various provisions of the Colorado Marijuana Code. The Colorado Marijuana Code, among other things, affords municipalities the option to determine whether to license certain regulated marijuana establishments within their respective jurisdictions. Consistent with its lawful authority this Chapter affirmatively authorizes licensing and regulating cannabis related businesses in the City of Grand Junction and to designate a local licensing authority to issue and process applications submitted for such licenses within the City.

This Chapter is adopted pursuant to the constitutional and statutory authority referenced above as well as the City's Charter and home rule authority to adopt and enforce ordinances under its police powers all in order to preserve the public health, safety, and general welfare. By adopting this Chapter, the City intends to implement provisions of the Colorado Marijuana Code and any rules and regulations thereunder except to the extent that more restrictive or additional regulations may be set forth in herein.

Further, the purposes of this Chapter are to:



- (1) provide time, place, and manner restrictions for operating a regulated cannabis business in the City;**
- (2) protect public health and safety through reasonable limitations on business operations as they relate to air quality, security for the business and its personnel, and other health and safety concerns;**
- (3) promote high quality neighborhoods by limiting the concentration of regulated cannabis businesses in specific areas;**
- (4) impose fees to defray some of the costs to the City of licensing regulated cannabis businesses;**
- (5) adopt a mechanism for monitoring compliance with the provisions of this Chapter;**
- (6) create regulations that address the needs of the residents, the businesses, and the City and coordinate with laws enacted by the State of Colorado regarding cannabis; and,**
- (7) issue regulated cannabis business licenses only to Applicants that demonstrate the intent and capability to comply with the law.**

**This Chapter is to be construed to protect the interests of the public over the interests of the regulated cannabis businesses. Operation of a regulated cannabis business is a revocable privilege and not a right in the City. There is no property right for any person and/or business to have a regulated cannabis license in the City.**

**Nothing in this Chapter is intended to promote or condone the production, distribution, or possession of cannabis in violation of any applicable law.**

#### **5.13.011 Applicability.**

- (a) This Chapter is known and may be cited as the “City of Grand Junction Regulated Cannabis Code.” Reference to the City of Grand Junction Regulated Cannabis Code, Code or Chapter and the applicable section(s) thereof shall be sufficient when citing the provisions hereof in any legal document, including but not limited to, summons, subpoena, pleading, summons and compliant, and memorandum.**
- (b) This Chapter, together with all other titles and chapters of the Grand Junction Municipal Code (hereinafter referred to as “GJMC”), and any**



resolution(s) and/or administrative regulation(s) of the City shall govern all applications submitted for licensing of any regulated cannabis business in the City on and after the effective date.

**5.13.012 Applicability of state laws and other laws.**

- (a) Except as otherwise specifically provided herein, this Chapter incorporates and adopts the requirements and procedures set forth in the Colorado Marijuana Code and the provisions of the Colorado Rules and Regulations promulgated thereunder, as amended, relating to the definition of terms, licensing, sales, hours of sale, records, inspection, unlawful acts, and all other matters pertaining to regulated cannabis, as set out in full therein and herein. In the event of any conflict between the provisions of this Chapter and the provisions of the Colorado Marijuana Code or any other applicable state or local law, the more restrictive provision shall control. Licensees shall comply with and conduct their business in compliance with all applicable state and local laws, rules and regulations, and the terms and conditions of their license. Noncompliance with any applicable state or local laws, rules or regulations shall be grounds for suspension, revocation or non-renewal of any license issued hereunder and/or imposition of fine(s), and/or fine(s) in lieu of suspension, and other allowable sanctions.
- (b) Compliance with any applicable state law or regulation shall be deemed additional requirements for issuance of any license and conduct of any business under this Chapter, and noncompliance with any applicable law or regulation shall be grounds for suspension, revocation or non-renewal of any license issued hereunder and/or imposition of fines and other allowable sanctions.
- (c) If the state prohibits the sale or other distribution of cannabis through regulated businesses, any license issued hereunder shall be deemed immediately revoked by operation of law.

**5.13.013 Definitions.**

The definitions set forth in Article XVIII, Subsections 14(2) and 16(2) of the Colorado Constitution, as well as the definitions provided by the Colorado Marijuana Code, the Colorado Code of Regulations, and the Department of Revenue Regulated Marijuana Enforcement Division Rules and regulations as amended, are adopted herein unless by reference specifically amended hereby.



**“Advertise”** means the act of drawing the public’s attention, whether in print, signs, or electronic means, to a regulated cannabis business in order to promote the sale of cannabis by the business.

**“Affiliated entity”** or **“affiliate”** means a person as defined herein, having ownership or any level of control in common with an entity, in whole or in part, including without limitation, an entity’s parent corporation, franchisor, licensor and any subsidiary(ies) or affiliates or such corporation(s). Affiliate also means a person using the same trade name as another person.

**“Application fee”** shall mean the fee paid to the City by each Applicant at the time of submitting an application to the City.

**“Applicant”** shall mean any person or entity who has applied for a license or renewal of a license issued pursuant to this Chapter. If the Applicant is an entity and not a natural person, Applicant shall include all persons who are the members, managers, officers, directors, and shareholders of such entity.

**“Cannabis”**, also known as marijuana, shall have the same meaning as the term as set forth in Article XVIII, Section 16(2)(f) of the Colorado Constitution or as may be more fully defined in any applicable State law or regulation. **“Marijuana”** may alternatively be spelled **“marihuana”**.

**“Cannabis business”** shall means regulated cannabis business as defined in this Chapter.

**“Cannabis operator”** means a medical cannabis business operator or a retail cannabis business operator.

**“Cannabis paraphernalia”** or **“paraphernalia”** shall mean devices, contrivances, instruments and paraphernalia for inhaling or otherwise consuming regulated cannabis, including, but not limited to, rolling papers, related tools, water pipes and vaporizers.

**“Cannabis product”** means medical cannabis product or retail cannabis product.

**“Cannabis product manufacturer”** means a medical cannabis products manufacturer or a retail cannabis products manufacturer.

**“Cannabis testing facility”** means a medical cannabis testing facility or a retail cannabis testing facility.

**“City”** means the City of Grand Junction, a Colorado home rule municipality.



**“City Attorney” means the City Attorney or the City Attorney’s designee.**

**“City Manager” means the City Manager or the City Manager’s designee.**

**“Colorado Marijuana Code” shall mean Title 44, Article 10, C.R.S. and any rules or regulations promulgated thereunder.**

**“Coupon” means a printed voucher or token entitling the holder to a discount for a particular product or service. Coupon does not include showing a government-issued verification of age or military status, or registration for a charitable event, or similar item the showing of which, without providing a separate printing to the business, entitles the holder to a discount for a particular product or service.**

**“Distribution” or “distribute” means the actual, constructive, or attempted transfer, delivery, sale, or dispensing to another, with or without remuneration.**

**“Educational material” means materials prepared by a governmental or non-profit entity that are designed to provide information, facts, instructions, and warnings related to the legal use or consumption of cannabis and cannabis products. Educational materials do not include arguments for or against the legalization of cannabis or encourage the use of cannabis or advertisements, including the name and logo for any cannabis business.**

**“Entity” means a domestic or foreign corporation, cooperative, general partnership, limited liability partnership, limited liability company, limited partnership, limited liability limited partnership, limited partnership association, nonprofit association, nonprofit corporation or any other organization or association that if formed under a statute or common law of the state of Colorado or any other jurisdiction as to which the laws of Colorado or the laws of any other jurisdiction govern(s) relations among owners and between the owners and the organization or association and that is recognized under the laws of the state of Colorado or the other jurisdiction as a separate legal entity.**

**“Fees” means that fee(s) set and established by Resolution of City Council and paid annually to the City by each Licensee. Fees may be charged by the City for costs including but not limited to licensing, inspection, administration, and enforcement of cannabis businesses authorized pursuant to the Colorado Constitution, the Colorado Marijuana Code, this Code, and any of the rules and regulations adopted pursuant thereto.**

**“Financier” means any person who lends money or otherwise provides assets to any person applying for license under this Chapter. If a financier is an entity rather than an individual, the same disclosure shall be required for each entity with a**



financial interest until a managing member that is a natural person is identified. Financier shall not include a bank, savings and loan association, credit union, or industrial bank supervised and regulated by an agency of the state or federal government, or any person in the business of leasing equipment or cannabis business for which the rental amount does not include any percentage of the business or its profits, or any person that has been qualified as a beneficial owner (as defined by the Colorado Marijuana Code).

“Financial interest” shall mean any ownership interest(s).

“Good cause”, except as may apply to a Social Equity Applicant or Licensee, for the purposes of approving, refusing, or denying the issuance or renewal of a license, means:

- a. The Licensee or Applicant has violated, does not meet, or has failed to comply with any terms, conditions, or provisions of the Colorado Marijuana Code, the City Code, any rule, and regulation adopted pursuant thereto, or any supplemental relevant state or local law, rule or regulation related to the cultivation, processing, manufacture, storage, sale, distribution, transportation, and research, or consumption of any form of cannabis;
- b. The Licensee or Applicant has failed to comply with any special term or condition placed on the license by order of the state licensing authority or the City’s Licensing Authority;
- c. Evidence the Licensee’s licensed premises has been operated in a manner that adversely affects the public health, safety or the general welfare of the City or the immediate neighborhood where the business is located, which evidence may include a continuing pattern of violations of the Colorado Marijuana Code, the City’s Code, or terms and conditions of a license issued pursuant to this Chapter, a continuing pattern of unlawful or violent activity occurring in the location and in association with the operation of the business; or
- d. Evidence the Applicant or Licensee, or any officer, director, owner, manager, agent or employee of the Applicant or Licensee is not of good moral character.

“Good moral character” means an individual who has a personal history demonstrating honesty, fairness, and respect for the rights of others and for conformance to the law which, except as provided by C.R.S 44-10-308(4) for a

person who qualifies as a Social Equity Licensee, may include considerations of whether an individual has:

- a. Ever had a professional or occupation license denied, suspended, or revoked;
- b. Ever had a business or sales tax license denied, suspended, or revoked;
- c. Ever surrendered, been denied, or had any type of cannabis related license or permit placed on an administrative hold, suspended or revoked;
- d. Ever been denied any type of cannabis related business license;
- e. Ever had a business temporarily or permanently closed for failure to comply with any tax, health, building, fire, zoning, or safety law;
- f. Ever had any administrative, civil, or criminal finding of delinquency for failure to file or failure to pay state or local sales or use taxes or any other taxes;
- g. Ever been convicted of or pled guilty or no contest to a crime of moral turpitude; or
- h. Within the previous five years been convicted of any misdemeanor, petty offense or any local ordinance violation related to the cultivation, processing, manufacture, storage, sale, distribution, transportation, testing, research, or consumption of any form of cannabis, drug or controlled substance; or within the previous five years been convicted of a non-drug related felony; or, at any time, been convicted of a felony related to the cultivation, processing, manufacture, storage, sale, distribution, transportation, testing, research, or consumption of any form of cannabis, drug or controlled substance.

“Handbill”, “leaflet” or “flyer” means a flat or folded sheet of printed material that is a notice, advertisement, or announcement, usually for distribution by hand, for free, either directly to an individual or by placement on vehicles or other locations. Handbill, leaflet, or flyer does not include educational materials without the name or logo of a cannabis business, or information made available within the licensed premises of a cannabis business.



**“Horizon Drive Association Business Improvement District”** means an area described as all commercial property bounded on the south by G Road, north on Horizon Drive through and including H Road, bounded on the west by 27 Road/15<sup>th</sup> Street, and on the east by 27 ½ Road northeast to Walker Field Airport Authority. The boundaries of the Horizon Drive Association District include, but are not limited to, Horizon Court, Compass Drive Association, Crossroads Boulevard, Crossroads Court, Skyline Court, Sundstrand Way, and Hilaria Avenue, or as the boundaries may be amended.

**“Immature plant”** means a nonflowering cannabis plant that is no taller than eight inches and no wider than eight inches; is produced from a cutting, clipping, or seedling; and is in a cultivating container.

**“Incidental to sponsorship of charitable events”** means the printing of the names of all sponsors of a particular charitable event by the event organizer on advertisements, banners, clothing, programs, or similar items. Incidental to sponsorship of charitable events does not include the placement of a booth(s) or distribution of material(s) that does not list or is for the use of all sponsors of the event.

**“License”** shall mean to grant a revocable privilege to lawfully operate in the City a cannabis related business activity authorized pursuant to the Colorado Marijuana Code and this Chapter. A License may include a Social Equity License as defined herein and by applicable Colorado law, rules, and regulations.

**“License fee”** shall mean that fee set and established by Resolution of City Council and paid annually to the City by each Licensee.

**“Licensed premises”** means the premises specified in an application for a license or permit authorized pursuant to the Colorado Marijuana Code and this Chapter, which are owned or in the legal possession of the Licensee and within which the Licensee is authorized to cultivate, manufacture, distribute, research, sell, store, transport, or test cannabis, cannabis products, and cannabis concentrates in accordance with all applicable laws.

**“Licensee”** means any person licensed or granted a permit pursuant to the Colorado Marijuana Code or this Chapter, including the cannabis business named on the cannabis business license and all individuals named in the cannabis business license application or later reported to the City, including without limitation, owners, managers, financiers, and individuals owning any part of the entity that holds a financial or ownership interest in the cannabis business.

**“Licensing Authority”** also known as **“Cannabis Licensing Authority”** (**“Authority”**) means an authority designated by the City Council of the City of Grand Junction, Colorado.

**“Manager”** means:

- a. A member of a limited liability company in which management is not vested in managers rather than members;
- b. A manager of a limited liability company in which management is vested in managers rather than members;
- c. A member of a limited partnership association in which management is not vested in managers rather than members;
- d. A manager of a limited partnership association in which management is vested in managers rather than members;
- e. A general partner;
- f. An officer or director of a corporation, a nonprofit, a cooperative, or a limited partnership association; or
- g. Any person whose position with respect to an Entity, as determined under the constituent documents and organic statutes of the Entity, without regard to the Person’s title, is the functional equivalent of any of the positions described in this definition.

**“Minor”** means a person under 21 years of age.

**“Modification of premises”** means a change to a regulated cannabis business that requires a building or other permit from the City or changes any part of the plans required as part of the application for the cannabis business license. Modification of premises does not include routine maintenance, including replacement of lightbulbs or filters, painting, cleaning, or replacement of non-mechanical items such as windows and flooring so long as the maintenance does not result in a change to the plans required as part of the application.

**“Owner”** means the person or persons whose beneficial interest in a regulated cannabis business bears a risk of loss other than an insurer, has an opportunity to gain profit from the operation or sale of the business and has a controlling interest in a cannabis business, business entity or license, and includes any other person(s) that qualifies as an owner pursuant to state law, rules, or regulations.



**“Person” shall mean a natural person, partnership, association, company, corporation, limited liability company or other organization or entity or a manager, agent, owner, officer, or employee thereof.**

**“Place open to the general public” means any property owned, leased, or used by a public entity, and any place on private property open to the public, common area of buildings, private clubs, vehicles, those portions of any private property upon which the public has an express or implied license to enter or remain, and any place visible from such places.**

**“Possess” or “possession” means having physical control of the premises in which an object is located or having the power and intent to control an object, without regard to whether the one in possession has ownership of the object. Possession may be held by more than one person at a time. Use of the object is not required for possession. The owner of a regulated cannabis business shall be considered in possession of the regulated cannabis business at all times. The manager of a regulated cannabis business shall be considered in possession of the regulated cannabis business at all times that the manager is on the premises of the business or has been designated by the owner as the manager in the absence of the owner in accordance with this Chapter.**

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

**“Regulated cannabis businesses aka “Regulated marijuana businesses” means:**

**any Medical Marijuana Business and Retail Marijuana Business as defined by Colorado law.**

**The term regulated cannabis business shall not include the private cultivation, possession, or use within a person’s residence of no more than:**

- (a) six plants in an enclosed, locked space, or**
- (b) one ounce of cannabis; or**
- (c) the cannabis derived from no more than six plants on the premises where the plants were grown if the plants were grown in an enclosed, locked space; or**
- (d) State registered caregivers.**

**“Regulated cannabis plant” means a cannabis seed that is germinated and all parts of the growth therefrom, including, without limitation, roots, stalks, and leaves. Cannabis plant shall include immature plants except where specifically exempted in this Code. For purposes of this Chapter, the portion of regulated cannabis plant**

harvested from the plant or converted to a usable form of regulated cannabis for medical use is not considered part of the plant upon harvesting.

“Restricted area” or “limited access area” means the portion of a cannabis business within which the “Licensee” defines on its application it intends to distribute, possess, or produce regulated cannabis and which area is clearly identified as the controlled area on the floor plan submitted with the cannabis business license application for the business.

“Safe” means a metal box, attached to the building structure, capable of (a) being locked securely by either a mechanical or electronic combination lock that is protected by a case hardened drill resistant steel plate or drill resistant material of equivalent strength; (b) having door hinges that prevent the removal of the door, including but not limited to hinges that are not exposed to the outside, interlocking door designs, dead bars, jeweler’s lugs and an active locking bolts; (c) being constructed in a manner to prevent opening by human or mechanical force, or through the use of common tools, including but not limited to hammers, bolt cutters, crow bars or pry bars; and (d) being certified by the manufacturer to be adequate for securely storing the quantity of monetary funds and physical cannabis product of the cannabis business.

“Social Equity Licensee” means a natural person who meets the criteria established by this Code and C.R.S. 44-10-308(4).

“State” means the State of Colorado.

“Violation of any law” means a plea or finding of a violation of any law in a criminal, civil, or administrative proceeding whether part of a plea agreement, settlement agreement or determination by an arbitrator, hearing officer, court, or jury.

#### 5.13.014 License Required.

- (a) It shall be unlawful for any person to engage in any form of business or commerce or activity involving cultivation, processing, manufacturing, storage, sale, distribution, transportation, testing, research or consumption of any form of cannabis or cannabis products other than those forms of business and commerce activities that are expressly contemplated by Sections 14 and 16 of Article XVIII of the Colorado Constitution, Colorado Marijuana Code, this Code, or other applicable provisions of the GJMC.
- (b) It shall be unlawful for any person to operate a regulated cannabis business in the City without a license to operate issued pursuant to the requirements of this Chapter while concurrently holding a license in good standing from the state and in compliance with any and all applicable laws.



- (c) No regulated cannabis business shall operate without obtaining any other license(s) or permit(s) required by any federal, state, or local law, by way of example, a regulated sales and use tax license, a retail food business license, or any applicable zoning or building permit. No two or more different regulated cannabis businesses may be treated as one premise unless approved as co-located businesses. Retail and medical cannabis may be co-located; however, if not co-located medical licenses will not be separately considered in accounting for the 10 (ten) license cap.**
- (d) The license(s) required to lawfully conduct business must be in full force and effect, all applicable fees and taxes have been paid in full, and all conditions of the license application be satisfied in order to conduct business. Each and every license applies to the person/entity named thereon and the activity(ies) authorized by the license and the location where the sale and/or possession occurs. Failure to maintain a current, valid license shall constitute a violation of this Chapter.**
- (e) It shall be unlawful for any person to exercise any of the privileges granted by a License other than the person(s) issued the License.**
- (f) It shall be unlawful for any person(s) granted a license to allow any other person to exercise any privilege granted under the License.**
- (g) It shall be unlawful for any person to operate any cannabis business in the City without a License issued by the City and the State licensing authorities pursuant to the Colorado Marijuana Code, this Chapter, and other applicable provisions of the GJMC and applicable law.**
- (h) The issuance of a City license pursuant to this Chapter does not create an exception, defense, or immunity to any person regarding any potential criminal liability the person may have for the production, distribution, storage, transportation, or possession of cannabis.**
- (i) All persons who are engaged in or who are attempting to engage in the distribution, and/or sale of regulated cannabis in any form shall do so only in strict compliance with the terms, conditions, limitations, and restrictions in Section 14 and 16 of Article XVIII of the Colorado Constitution, state law, the Colorado Marijuana Rules, the GJMC, and all other laws, rules, and regulations.**

**5.13.015 Licensing Authority (Cannabis Licensing Authority).**

For the purpose of regulating and controlling the licensing and the sale of regulated cannabis in the City, there is hereby created a licensing authority appointed by the City Council, hereafter referred to as Authority.

**(a) Structure of Authority.**

**1. Hearing Officer.** A Hearing Officer for the Authority shall be appointed by, and serve at the pleasure of, the City Council. Alternate hearing officer(s) may be appointed to serve if the Hearing Officer is absent and/or a conflict exists for which the Hearing Officer must be recused.

**i. The Hearing Officer shall be a resident of the City and have an active license to practice law in the State of Colorado.**

**ii. Duties of the Hearing Officer. The Hearing Officer shall:**

**1. Conduct all hearings required under this Chapter, rules and regulations, and codes construing and implementing the same.**

**2. Conduct all hearings for initial licenses, renewal of licenses, for proposed changes of ownership of licenses and changes of the corporate structure of license, and for proposed changes of location of licensed premises or modification of premises.**

**3. Conduct all hearings brought under such codes when violations of the codes or the regulations under the codes have been alleged to have occurred and to impose penalties against Licensees in the manner provided by this Chapter on its own motion or on complaint by the City Attorney for any violation by the Licensee after investigation and public hearing at which the Licensee shall be afforded an opportunity to be heard.**

**4. Promulgate rules and regulations concerning the procedures for hearings before the Authority.**

**5. Require any Applicant or Licensee to furnish any relevant information required by the Authority.**





- iv. The Authority may exercise all other powers and duties as are set forth in the Colorado Marijuana Code, the Colorado Constitution, the Colorado Department of Revenue Marijuana Enforcement Division Rules, the GJMC and any rule or regulation adopted pursuant thereto.
- v. Under any and all circumstances in which Colorado law requires communication to the City by the State licensing authority or any other State agency regarding any license authorized by this Chapter, or in which State law requires any review or approval by the City of any action taken by the State licensing authority, the exclusive department in the City for receiving such communications and granting such approvals shall be the Authority.

**(c) Action of the Authority.**

1. The Authority may issue subpoenas to require the presence of persons and the production of papers, books, and records necessary to the determination of any hearing the Authority is authorized to conduct.
2. The Authority, acting by and through the Hearing Officer, may suspend, or revoke licenses granted under this Chapter for cause or as set forth in this Chapter or as applicable law may provide.
3. The Authority, acting by and through the Hearing Officer, may summarily suspend a license issued pursuant to this Chapter without notice pending any prosecution or public hearing for a period not to exceed 15 days when the Authority determines a Licensee or an agent or employee of the Licensee has violated the Colorado Marijuana Code, the Colorado Department of Revenue Enforcement Division Marijuana Rules, the Colorado Constitution, the City's Code, or any rule and regulation related to the storage, sale, distribution, transportation, testing, or consumption of any form of cannabis, or when the public health, safety or wellbeing imperatively requires emergency action, and incorporates such findings in the notice for a public hearing before the Authority on the matter.

**(d) Nothing in this Chapter shall be construed to limit a law enforcement agency's ability to investigate unlawful activity in relation to a License issued pursuant to this Code.**

**(e) Authority Hearing procedures.**



- 1. Hearings shall be scheduled as determined by the Authority and generally with the same frequency as the Liquor Licensing Authority or at special meetings as scheduled by the Authority.**
- 2. The Hearing Officer may establish such procedures and local rules to be followed in actions before her/him. Such procedures shall include the following:**
  - i. Control the mode, manner and order of all proceedings and hearings.**
  - ii. The adoption of rules, procedures, and policies for its own proceedings and for filing applications and requests.**
  - iii. The adoption of application forms and submission requirements, including a requirement that applications, complaints and other documents be filed in a digital format approved by the Authority and to refuse applications, complaints and other documents not filed in the approved digital format.**
  - iv. To perform any act that the Authority is authorized to perform by law.**
  - v. To promulgate such rules and regulations deemed necessary to properly administer and enforce this Chapter, and to exercise all other powers and duties as set forth in this Chapter, as well as those set forth in the Colorado Marijuana Code and Subsection 5(f) of Section 16 of Article XVIII of the Colorado Constitution. The Authority shall provide all proposed rules, and subsequent changes thereto, to City Council for approval by Resolution.**
  - vi. Powers in the conduct of hearings. The Hearing Officer shall conduct hearings under and in accordance with this Chapter, local rules and procedures, and the Colorado Marijuana Code.**
  - vii. Contempt. In the event that any person, in the immediate presence of the Authority or within its sight or hearing, while the Authority is in session during a hearing, commits a direct contempt of the Authority by speech, gesture or conduct which disobeys a lawful order of the Authority, shows gross disrespect to the Authority tending to bring the Authority into public ridicule, or substantially interferes with the Authority's proceedings, the Authority may hold such person in contempt. Contemptuous conduct by any principal, registered**

manager or employee shall be imputed to the Licensee. The Authority may impose the following sanctions for contempt:

1. Removal of the person committing the contempt from the proceedings, the hearing room and its environs;
2. Public censure, which shall be made a matter of the Licensee's record and may be used as an aggravating factor in determining any fine, suspension, revocation or renewal;
3. A prohibition against the individual or the Licensee introducing into the record testimony, documents, exhibits or other evidence;
4. An order striking, disregarding, and refusing to consider pleadings, applications, documents, objections, testimony, exhibits or other evidence or arguments already introduced by such person;
5. A fine, enforced by suspension of the License until the fine is paid;
6. Default of any motion, complaint or other action then pending against the Licensee; and/or
7. Denial of any application by the Licensee then pending before the Authority.

**viii. Determinations with respect to hearings.**

1. The Hearing Officer shall make his/her determination after hearings in accordance with this Code, the Colorado Marijuana Code and established legal principles. The decision of the Hearing Officer shall be final, and appeal from that decision shall be to the District Court of the 21<sup>st</sup> Judicial District.
2. Actions taken by the Authority are subject to review by the courts pursuant to Rule 106(a)(4) of the Colorado Rules of Civil Procedure. Any person applying to the Court for review shall be required to pay the cost of preparing a transcript of proceedings before the Authority whenever such a transcript is necessary for purposes of an appeal.



3. Appeals of Hearing Officer Decision(s). If the Authority imposes a condition on the license and/or suspends or revokes a license or imposes a fine, the Licensee may appeal the Authority's order to the Mesa County District Court pursuant to Rule 106(a)(4) of the Colorado Rules of Civil Procedure. The Licensee's failure to timely appeal any decision/order of the Authority is a waiver of the Licensee's right to contest the decision/order. Any person applying to the court for review shall be required to pay the cost of preparing a transcript of proceedings before the Authority whenever such a transcript is necessary for the purposes of the appeal.

#### **5.13.016 Application process/requirements.**

- (a) Applications. All applications for any license authorized by this Chapter shall be submitted to the City Manager upon forms provided by the Authority and shall include supplemental materials as required by this Chapter, the Colorado Marijuana Code, and any rules and regulations adopted pursuant thereto. To the extent any of the foregoing materials have been included with the Applicant's state license application and forwarded to the City by the State, the Authority may rely upon the information forwarded by Applicants without requiring resubmittal of the same materials in conjunction with the local license application.
- (b) The Authority may, at the Authority's discretion, require additional information and/or documentation for the consideration of the application as it may deem necessary to enforce the requirements of the Colorado Marijuana Code and this Chapter.
- (c) The general procedures and requirements of licenses, as more fully set forth in Chapter 5.04 of the Grand Junction Municipal Code, shall apply to regulated cannabis business licenses. To the extent of conflict between the provisions of this Chapter and Chapter 5.04, the provisions of this Chapter shall control for regulated cannabis licenses.
- (d) The City Manager will provide public notice of any open application period.
- (e) Initial Application.
  1. Complete Application. The City Manager shall receive all Applications for a license authorized by this Chapter. The City Manager will review

and, if demonstrated from the Application, find an Application to be complete if the Applicant, on forms provided by the City, provides materials and information demonstrating that all requirements for licensure can or will be met by the Applicant at the time of licensure as provided in this section and in § 05.13.022 of this Code. A complete application must comply in all material respect with this GJMC, and the application forms and processes of this Code, resolutions, and administrative regulations of the City.

2. No person or entity, to include an affiliate(s)/affiliated entity, shall apply for more than one license for any location in the City, unless applying for a co-located (medical and retail) licensure.
3. Each Applicant may file only one application for only one license at one location for each class of cannabis business license authorized by this Chapter. A co-located medical and retail cannabis business location shall be deemed one license for the purpose of this section. A location for a license shall be established and determined by lawful street addressing. A unit(s) in a building that is not separately, legally created and addressed is(are) not a separate location(s). The City Manager shall not accept more than one Application for the same address. Applications shall be date and time stamped and the first in time for an address shall be the only Application considered. A subsequent Application for the same address shall be rejected.
4. The Applicant has registered with the Authority the name(s) of the manager(s) of the cannabis business, and has provided to the Authority the names of all persons having ten percent (10%) financial interest, in the cannabis business that is subject of the Application or, if the Applicant is an Entity, having a ten percent (10%) financial interest in the Entity together with the following:
  - i. Name, address, date of birth;
  - ii. Acknowledgment and consent that the City may conduct a background investigation, including a criminal history check, and the City will be entitled to full and complete disclosure of all financial records of the regulated cannabis business and of any or all financial interests thereof, including records of deposit, withdrawals, balances and loans;
  - iii. If the Applicant is an Entity, information regarding the Entity, including without limitation, the name and address of the Entity, its legal status, and proof of registration with, or a certificate of



good standing from, the Colorado Secretary of State, as applicable;

- iv. If the Applicant is not the owner of the proposed licensed premises, a notarized statement from the owner of such property authorizing the use of the property for a cannabis business and specifying the type of regulated cannabis business(es) permitted;
  - v. A copy of the deed reflecting the Applicant's ownership of, or the lease or contract reflecting the legal right of the Applicant to possess the proposed licensed premises for no less than three years from the date of application submittal.
5. The Applicant must disclose in writing any financial interests, including individuals and/or entities.
6. The Applicant must disclose in writing if the named owner(s), member(s), manager(s), Financier(s), agent(s), or person(s) named on the Application has(have) been:
- i. Denied an application for a cannabis business license pursuant to this Chapter, or any state or local licensing law, rule, or regulation, or had such a license suspended or revoked.
  - ii. Denied an application for liquor license pursuant to Title 44, Article 47, or Article 46, C.R.S. or any similar state or local licensing law, or had such a license suspended or revoked.
    - 1. In the event an owner, member, agent, manager, financier, or other person named on the Application contains information regarding violations of any law or previous denial or revocation of a license, that person must include with the Application any information regarding such violation(s), denial, or revocation. Such information must include, but is not limited to, a statement of the violation(s) and penalty(ies) for such violation(s), evidence of rehabilitation, character references, and educational achievements, and other regulatory licenses held without compliance violations, especially those items pertaining to the period of time between the Applicant's last violation of any law and the date of the application.

2. The City may, prior to issuance of the certificate of occupancy for the cannabis business, perform an inspection of the proposed licensed premises to determine compliance with any applicable requirements of this Chapter or other provisions of this Code, the International Fire Code, or the International Building Code.
7. The Applicant must provide affirmation in writing that the Applicant officers, directors, other owners, any person having a direct or indirect financial interest in the business, and agents or employees of the Applicant are of Good Moral Character considering the factors in the Colorado Marijuana Code, this Chapter, and rules and regulations adopted pursuant thereto; have no felony convictions in the last five years, no drug related local ordinance, petty offense or misdemeanor convictions in the last five years, and no drug related felony convictions.
8. The Applicant must provide affirmation in writing that the Applicant has no overlapping partner(s), investor(s) or immediate family member(s) of a partner(s) or investor(s) (Affiliate or Affiliated Entity) with another Application and that no Application is an Affiliate or Affiliated Entity with another Application. An Application that includes an Affiliated Entity shall not be considered for review or licensure.
9. The Applicant must provide affirmation in writing that the Applicant's principal officers, directors, members, or owners who now, or at any time in the past, have had ten percent (10%) or more ownership in any cannabis business have not had, or the business has not had, a cannabis license suspended or revoked by the State of Colorado or any other state, or any other jurisdiction's local authority or other controlling authority. If the Applicant had a prior cannabis license suspended or revoked by the State of Colorado or any other state, or any other jurisdiction's local authority or other controlling authority the Applicant will be disqualified for licensure hereunder.

A suspension or revocation of a prior cannabis license in which a principal officer(s), director(s), member(s), or owner(s) had ten percent (10%) or more ownership and with which the Applicant had a prior business relationship shall not in and of itself disqualify an Applicant for licensure hereunder; however, the Applicant shall, in addition to the affirmation, provide a written statement describing the circumstances of the prior business relationship and of the suspension or revocation of the license.

10. The Applicant must submit a *Findings of Suitability* form.



- 11. The Applicant must provide written proof of a binding quote for insurance as provided by § 5.13.030 of this Chapter;**
- 12. The Applicant shall provide a written zoning and buffering verification from Community Development Department Director that states the location proposed for licensing complies with any and all zoning laws of the City, and any restrictions on location set forth in this Code. If drive through cannabis service is contemplated, the Applicant shall provide sufficient detail to demonstrate the drive through will comply with the GJMC, specifically those requirements of the Zoning and Development Code and Transportation Engineering Standards. If the Director makes a determination that the proposed license location would be in violation of any zoning law or other restriction on location set forth in the GJMC and/or any Administrative Regulation(s) construing the same, then the Director shall, no later than ten (10) working days from the date the Applicant requested the zoning and buffering verification, notify the Applicant in writing that the proposed license location cannot be verified to be in compliance. As provided by the GJMC, the Applicant may appeal the Directors decision.**
- 13. The Applicant must provide a written operating plan that includes, but is not limited to, the items in § 5.13.036.**
- 14. The Applicant must provide a written security plan indicating how the Applicant will comply with the requirements set forth in the Colorado Marijuana Code, this Chapter, and any other applicable law, rule, or regulations pursuant thereto. The security plan includes specialized details of security arrangements and will be protected from disclosure as provided under the Colorado Open Records Act § 24-72-203(2)(a)(VIII), C.R.S. If the City finds that such documents are subject to inspection, it will provide notice to the Applicant as provided by the Colorado Open Records Act.**
- 15. The Applicant must provide a written plan for preventing underage persons from entering the premises.**
- 16. The Applicant must provide a written plan for disposal of any regulated cannabis that is not sold in a manner that protects any portion thereof from being possessed or ingested by any person or animal.**
- 17. The Applicant must provide a written plan for ventilation of the regulated cannabis business that describes the ventilation systems that will be used to prevent odor of cannabis off the premises of the business;**

18. The Applicant must provide any supplemental materials required to be provided by the State in order to receive a State-issued cannabis business license pursuant to the Colorado Marijuana Code and rules adopted pursuant thereto.
19. The Applicant must provide any supplemental materials to comply with City laws and any additional information that the Authority reasonably determines to be necessary in connection with the investigation and review of the Application.
20. The Applicant shall provide affirmation in writing that it has and will satisfy and continuously meet, if a license is awarded, all the terms, conditions, provisions, and requirements imposed upon the Applicant or the Licensee by the applicable provisions of the Colorado Marijuana Code, the City's Code, and all the rules and regulations adopted pursuant thereto, and all applicable building, fire, health or zoning, codes, ordinances, rules or regulations adopted pursuant thereto related to the cultivation, processing, manufacture, storage, sale, distribution, testing, research, transporting, or consumption of any form of cannabis.
21. The Applicant shall provide affirmation in writing the license application contains no fraudulent, misrepresented, or false statements of a material or relevant fact.
22. The Applicant shall pay all applicable application and licensing fees.
23. The Applicant provides affirmation in writing that it or the Licensee is not overdue on his/her/its payment of any taxes, fines, interest, penalties, or collection costs assessed against or imposed upon such Applicant in any business matters, affairs, or dealings of the Applicant in any state, county, municipality in which the Applicant conducts business.
24. The Applicant provides affirmation in writing that the Applicant will make all the improvements to the licensed premises as required by the GJMC so that the cannabis business operations shall begin within 12 months of the Application being selected for licensure in the random selection process.
25. The Applicant affirms in writing, the Applicant is not a sheriff, deputy, police officer, prosecuting officer, or an officer or employee of the state; and,



26. The Applicant affirms in writing, the Applicant is not a person whose authority to be a primary caregiver as defined in § 25-1.5-106(2), C.R.S., has been revoked by the state health agency.
- (f) **Incomplete Application.** Upon review of an application, the City Manager shall provide a notice of initial determination to the Applicant in writing as to whether the Applicant's application is complete and if found to be incomplete that the Applicant may supplement its application so long as the Application is made complete within the application period.
- (g) **Denial of initial application.** The City Manager may deny any application that does not meet the requirements of this Chapter, the Colorado Marijuana Code, or any other applicable state or City law or regulation. In addition to prohibitions on persons as licensees found in the Colorado Marijuana Code, should the Applicant fail to affirm any information or representation(s) as required by 5.13.016, or the City discovers evidence that any affirmation was contrary, false, misleading, or incomplete, such shall constitute full and adequate grounds for denial of any application.
1. **Notice of denial.** If, after investigation and discovery, the City Manager determines that the application will be denied, the City Manager shall:
    - a. Provide notice in writing to the Applicant that the Application is denied and reasons for the denial;
    - b. Notify the State in writing of the City Manager's decision to deny the application.
  2. **Appeal of denial.** An Applicant may appeal the City Manager's decision of denial by submitting a written request on a form provided by the City, received by the City Manager within 10 days of the date on the written notice of denial. The appeal request shall include any legal and factual support for the appeal. An appeal hearing will be set before the Hearing Officer for a written appeal. The Hearing Officer shall only review and consider those issues specifically addressed in the written appeal.

#### **5.13.017 Randomized selection process.**

- (a) All applications that are confirmed to be complete and in accordance with all applicable laws and regulations by the Hearing Officer shall enter the randomized selection process if there are more such applications than available licenses. In the event the number of confirmed applications is the same or fewer than the number of available license(s), the randomized selection process will not occur.

- (b) If more than two applications are submitted for a location within Horizon Drive Association Business Improvement District, the City shall conduct a random selection process for the Horizon Drive applications only.
- (c) The random selection from qualified applications will be held by the Authority at City Hall, 250 N. 5<sup>th</sup> Street, Grand Junction, CO 81501. The random selection will be conducted publicly. Applicants need not be present at the selection.
- (d) All qualified applicants will be placed within the selection container and randomly selected and assigned a number in the order they are drawn from first to last.
- (e) Following the assignment of a random number, the numbers will be placed back in the selection container and ten numbers will be randomly selected and those ten Applicants will have an opportunity to be issued a cannabis business license. The Authority will notify those selected in writing within seven (7) days of selection by United States mail return receipt requested at the address set forth in the application.
- (f) Those selected shall have the opportunity to operate a regulated cannabis business at the location specific to its Application and so long as it commences operations as specified in §5.13.026(e)(24). If any Applicant(s) selected at the random selection does not commence operations of the business, then another random selection process will occur in the same format as provided by this Code.
- (g) In no event may a qualified Applicant sell its position in the randomized selection process, nor may an Applicant selected for licensure be allowed to sell, transfer, or otherwise assign its position/license to any other person or entity. (See, §§5.13.025 and 026)

#### **5.13.018 Investigation and fingerprinting of Applicant.**

Prior to the acceptance of applications for a License, transfer of ownership, change of corporate structure, or other permit as provided in this Chapter, the Colorado Marijuana Code and the Colorado Marijuana Rules, the following individuals shall provide verified fingerprint information to the Grand Junction Police Department:

- (a) If the Applicant is a natural person, that person;
- (b) If the Applicant is a partnership, all of the partners; and
- (c) If the Applicant is a corporation, both the officers and directors, together with any person owning more than ten percent (10%) of the stock thereof.



#### **5.13.019 Duty to supplement.**

- (a) If, at any time before or after a license is issued pursuant to this Chapter, any information required by the Colorado Marijuana Code, or any rule and regulation adopted pursuant thereto, changes from that which is stated in the application, the Applicant or Licensee shall supplement its application with the updated information within ten days from the date upon which such change occurs.**
- (b) An Applicant or Licensee has a duty to notify the Authority of any pending criminal charge(s) and any criminal conviction(s) by the Applicant, Licensee, any owner, officer, director, manager, agent or employee of the Applicant or Licensee within ten days of the event.**
- (c) An Applicant or Licensee has a duty to notify the Authority of any pending violation of, and any conviction for, a violation of any building, fire, health or zoning statute, code or ordinance related to the cultivation, processing, manufacture, transportation, storage, sale, distribution, testing, research, or consumption of any form of cannabis by the Applicant, Licensee, any owner, officer, director, manager, agent or employee of the Applicant or Licensee within ten days of the event.**

#### **5.13.020 Number of licenses.**

- (a) No more than ten regulated cannabis business licenses, excluding any cannabis testing facilities and any medical cannabis business license(s) co-located with a Retail Cannabis business license, shall be issued.**
- (b) Included within the ten (10) license limit referenced above in (a), no more than two cannabis business licenses may be issued in the Horizon Drive Association Business Improvement District, which is described as all commercial property bounded on the south by G Road, north on Horizon Drive through and including H Road, bounded on the west by 27 Road/15<sup>th</sup> Street, and on the east by 27 ½ Road northeast to Walker Field Airport Authority. The boundaries of the Horizon Drive Association District include, but are not limited to, Horizon Court, Compass Drive Association, Crossroads Boulevard, Crossroads Court, Skyline Court, Sundstrand Way, and Hilaria Avenue, as otherwise amended.**

#### **5.13.021 Classes of licenses authorized.**

**For the purpose of regulating testing, distribution, offering for sale and sale of cannabis, the Licensing Authority, in its sole discretion, may issue and grant to the Applicant a local license from any of the following classes, and the City hereby authorizes issuance of the licenses of the following classes by the state**

licensing authority in locations in the City, subject to the provisions in this Chapter:

- (a) Retail Cannabis Store
- (b) Co-located Medical Cannabis Store
- (c) Retail Cannabis Testing Facility(ies)
- (d) Medical Cannabis Testing Facility(ies).

#### **5.13.022 Requirements of Issuance of a License.**

The Authority shall not issue a cannabis business license except when each of the following requirements have been met:

- (a) The City Manager approved the Applicant's initial application; and,
- (b) The Hearing Officer finds in writing the initial application to be complete, and after a public hearing refers the initial application to the randomized selection process for possible selection for licensure for a license authorized by this Chapter;
- (c) If there is to be a randomized selection process, the initial Application was selected for licensure in that process; and,
- (d) The Applicant submitted all documents to the Authority that it provided to the State for marijuana business licensure; and,
- (e) At the time of issuance of a License, the Applicant has paid all fees and intends to commence operation within 12 months of selection in the random selection process; the Hearing Officer may extend the period for the Applicant to commence operation for a period not to exceed 24 months from the date of selection in the random selection process, if the Applicant petitions the Authority for an extended commencement date and after hearing the Hearing Officer finds good cause to grant the extension.
- (f) The Applicant and the Applicant's owner(s) and financier(s) are in compliance with all federal, state, and local tax laws.

#### **5.13.023 Fees.**

- (a) A nonrefundable Application Fee shall be paid to the state upon application to the state for a cannabis business license.
- (b) The Application and License Fees shall be paid to the City at the time of application for a cannabis business license. The License Fee may be refunded if an application is withdrawn by the Applicant, denied by the



City Manager or Hearing Officer, or the Applicant is not selected in the randomized selection process. The City Manager will refund to the License Fee within 30 days of the date of the withdrawal, denial of the application or failure of the Applicant to be selected in the randomized selection process for issuance of a cannabis business license. The Application Fee is nonrefundable.

- (c) Renewal, change of location, inspection and all other fees may be imposed as necessary for the administration, regulation and implementation of this Code, and those fees shall be set by City Council resolution.
- (d) License and application fees shall be set City Council resolution, and as deemed necessary, adjusted to reflect the direct and indirect costs incurred by the City in connection with the adoption, administration, and enforcement of this Code.
- (e) In addition to fees and any other monetary remedy provided by this Code, the City shall have the right to recover all sums due and owing hereunder by any civil remedy available at law.

**5.13.024 No vested rights; commencement of operations.**

- (a) Notwithstanding anything contained in this Chapter, an application initially approved for consideration of licensure and found to be complete by the Hearing Officer, or in the event a license is issued, creates no vested right(s) to the License or the renewal of a License, and no property right in the License or the renewal of a License is created.
- (b) If a cannabis business does not commence operations within 12 months of selection through the randomized selection process, the license shall be deemed forfeited and the business may not commence operation, unless the Authority has granted an extension pursuant to section §5.13.022(e).
- (c) It shall be unlawful for the owner of a building to allow the use of any portion of the building by a cannabis business unless the tenant has a valid regulated cannabis business license or has applied for one and been awarded a regulated cannabis business license or no cannabis is located on the premises until a license has been issued by the City. If the City has an articulable reason to believe that a regulated cannabis business is being operated in a building, it shall be unlawful for the owner of the building to refuse to allow the City access to the portion of

the building in which the suspected cannabis business is located to determine whether any cannabis is on the premises.

**5.13.025 Transfer.**

- (a) A cannabis business license is not transferrable or assignable, in whole or in part, including, without limitation, to a different premise or to a different type of business for a period of three years of issuance of the license by the City as described in subsection (b) below. A regulated cannabis business license is valid only for the owner named thereon, the type of business disclosed on the application for the License(s), and the location for which the license is issued. The Licensee(s) of a regulated cannabis business are only those persons disclosed in the Application or subsequently disclosed to the City in accordance with this Chapter.
- (b) Transfer of ownership of any interest of the Licensee may not occur within three years of issuance of the license by the City unless by Court order or other operation of law such as probate or lawful seizure/dispossession.
- (c) Transfer of ownership of any regulated cannabis business license issued pursuant to this Chapter shall be governed by the standards and procedures set forth in the Colorado Marijuana Code and any regulations adopted pursuant thereto and the Authority shall administer transfers of local licenses in the same manner as the state licensing authority administers transfers of state licenses. The public hearing requirement set forth in § 5.13.027 of this Chapter shall apply to all applications for transfer of ownership of any regulated cannabis license.
- (d) In determining whether to permit a transfer of ownership, the Authority may consider the requirements of law and the Colorado Marijuana Rules. No application for transfer of ownership will be considered by the Authority if, at the time of such application, the Licensee is under a notice of violation or other unlawful acts issued by either the Authority or the state licensing authority.
- (e) The submission or pendency of an application for transfer of ownership does not relieve the Licensee from the obligation to properly apply to renew such License.
- (f) No owner may apply for a transfer of ownership of any regulated cannabis business license issued pursuant to this Chapter if the transferee is an owner of or an affiliate of any other business entity holding another regulated cannabis license in the City.

**5.13.026 Change in corporate structure.**



- (a) A change of corporate structure of any regulated cannabis business that results in any of the change(s) in subsections 1 through 2 below shall require the filing of an application and payment of the requisite fees and shall be subject to all requirements of the licensing process. A change of corporate structure shall be heard and approved or denied by the Authority.
1. Any transfer or assignment of ten percent or more of the capital stock of any corporation, or transfer of ten percent or more of the ownership interests of any general or limited partnership interest in any year, or transfer of any liability company interest in a limited liability company of any kind, joint venture or business entity that results in any individual owning more than ten percent of ownership interest in the business entity if that individual's ownership interest did not exceed ten percent prior to transfer.
  2. Any change of officer or directors of a corporation that involves the addition or substitution of individual(s) who was not previously an officer or director of the corporation during a period of time that the corporation held the license.
- (b) A change of corporate structure that results in any transfer or assignment of less than ten percent of the capital stock of any corporation or less than ten percent of the ownership interests of any limited partnership interest in any year to a person who currently has an interest in the business, and that does not result in a change of controlling interest, shall not require an application for change of corporate structure.
- (c) No application for transfer of ownership or change in corporate structure may be approved by the Authority until all City and state occupational taxes, City and state sales and use taxes, excise taxes, any fines, penalties, and interest assessed against or imposed upon such Licensee in relation to operation of the licensed business are paid in full.
- (d) A Licensee shall report each and every change of financial interest in the license and/or the Licensee to the Authority prior to any such change pursuant to and in accordance with the provisions of law and the Colorado Marijuana Rules. A report shall be required for transfers of capital stock of any corporation regardless the size, for transfers of member interests of any limited liability company regardless of the size, and for any transfer of an interest in a partnership or other entity or association regardless of size.
- (e) No owner may apply for a change in corporate structure of any regulated cannabis business licensed entity issued pursuant to this Chapter if the change adds any person or entity as an owner, officer or member of the corporation or entity as an affiliate of any other business entity holding another regulated cannabis license in the City.

**5.13.027 Public Hearing and Notice Requirements.**

- (a) The public hearing procedure shall apply to any Application that has been first approved by the City Manager for any regulated cannabis business and to any application for licensing renewal if the renewal application is referred to the Licensing Authority by the City Manager pursuant to § 5.13.035 of this Chapter.**
- (b) Public notice of the application shall be given as follows or as more particularly required by C.R.S. 44-10-303 as applicable.**

  - 1. Posting a sign by the applicant on the premises for which an application has been made, not less than 14 days prior to the public hearing, stating the date of the application, the date of the hearing, the name and address of the applicant and such information as may be required to fully apprise the public of the nature of the application. The City Clerk shall provide the sign to the applicant for posting. If the building in which the regulated cannabis business is to be located is in existence at the time of the application, any sign posted shall be placed to be conspicuous and plainly visible to the public.**
  - 2. Publication of notice by the City Manager not less than 14 days prior to the public hearing, in the same manner as the City posts notice of other public hearing matters.**
- (c) Any decision of the Authority, acting by and through the Hearing Officer, approving or denying an application shall be in writing stating the reasons therefor and a copy of such decision shall be mailed by certified mail to the Applicant at the address shown in the Application and to the State licensing authority.**

**5.13.028 Persons prohibited as Licensees.**

- (a) No license shall be issued to, held by, or renewed by any of the following:**

  - 1. Any person until the annual fee for the license has been paid;**
  - 2. Any natural person who is not of good moral character;**
  - 3. Any entity of whose officers, directors, or managing members are not of good moral character;**
  - 4. Any person employing, assisted by, or financed in whole or in part by any other person who is not of good moral character;**
  - 5. Any natural person who has been released within five years immediately preceding the application from any form of**



incarceration or court-ordered supervision, including a deferred sentence, resulting from a conviction of any felony or any crime under the laws of the State would be a felony; or any crime of which fraud or intent to defraud element, whether in the State or elsewhere; or any felonious crime of violence, whether in the State or elsewhere;

6. Any person with ten percent (10%) or greater financial interest in the entity that has been convicted of any of the offenses set forth in (5) above;
7. Any Applicant who has made a false, misleading, or fraudulent statement or who has intentionally omitted pertinent information on his or her application for a license;
8. Any natural person who is under 21 years of age;
9. Any person who operates or manages a regulated cannabis business contrary to the provisions of this Chapter, any other applicable law, rule, or regulation or conditions imposed on land use or license approvals, or contrary to the terms of the plans submitted with the license application or has operated a business in violation of any law;
10. Any person applying for a license to operate a regulated cannabis business who has been licensed to operate another regulated cannabis business in the City pursuant to this Chapter;
11. A person licensed pursuant to this Chapter who, during a period of licensure, or who, at the time of application, has failed to remedy an outstanding delinquency for taxes owed, or an outstanding delinquency for judgments owed to a government;
12. A sheriff, deputy, police officer, prosecuting officer, or an officer or employee of the state or Authority; and,
13. A person whose authority to be a primary caregiver as defined in § 25-1.5-106(2), C.R.S., has been revoked by the state health agency.
14. No owner of any business applying for a License or in possession of a License within the City may apply for or be an owner of or be an Affiliate of any other business entity applying for another cannabis license within the City.

**(b) In making an evaluation of the good moral character of an individual identified on an application or amendment thereof, the Authority shall consider the following:**

- 1. An Applicant's violation of law shall not, by itself, be grounds for denying an application;**
- 2. Verification of or lack of ability to verify items disclosed by the Applicant;**
- 3. When a person has a history of violation of any law or a history including denial, revocation, or suspension of a license, the types and dates of violations; the evidence of rehabilitation, if any, submitted by the individual; whether the violations of any laws are related to moral turpitude, substance abuse, or other violations of any laws that may directly affect the individual's ability to operate a regulated cannabis business; or whether the violations of any law are unrelated to the individual's ability to operate such a business;**
- 4. Rules adopted by the Authority to implement this Chapter;**
- 5. Law, rules, and regulations applicable to evaluation of other types of licenses issued by the City that consider the good moral character of the Applicant; and,**
- 6. Any additional information the Authority may request of the Applicant if the Applicant has a violation of any laws, an administrative or judicial finding of violation of laws regarding use of alcohol or controlled substances or items disclosed by the individual which require additional information for the Authority to make a determination regarding issuance of the License.**

#### **5.13.029 Security requirements.**

**Security measures at all licensed premises shall comply with the requirements of the Colorado Marijuana Code and applicable rules and regulations promulgated thereunder. In addition, thereto, the following security practice are required:**

- (a) A security plan submitted with the Application, as it may be amended, shall provide equipment, which shall be in good working order, monitored, and secured 24 hours per day. The plan, at a minimum, shall include:**
  - 1. The installation and use of security cameras to monitor and record all areas of the premises (except restrooms), and where persons may gain or attempt to gain access to cannabis or cash maintained by the regulated cannabis business. Cameras shall record operations of the**



business to the off-site location, as well as 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 for a minimum of 40 days in a secure offsite location in the City or through a service over a network that provides on-demand access, commonly referred to as a "cloud". The offsite location shall be included in the security plan submitted to the City and provided to the Grand Junction Police Department and updated within 72 hours of any change of such location.

2. The installation and use of a safe for storage and any processed cannabis and cash on the premises when the business is closed to the public. The safe, as defined in 5.13.013, shall be incorporated into the building structure or securely attached thereto.
3. The installation and use of an alarm system that is monitored by a company that is staffed 24 hours a day, seven days a week. The security plan submitted to the City shall identify the company monitoring the alarm, including contact information, and updated within 72 hours of any change of monitoring company. If the alarm system includes a panic alarm, an operable dedicated phone for law enforcement to respond to the alarm shall remain on the premises at all times.
4. The installation and use of outdoor lighting and a diagram and description of where the lighting shall be placed in accordance with the GJMC.
5. If drive through cannabis service is contemplated, the Applicant shall provide i) a description of security measures to prevent and address diversion of cannabis to youth and ii) how the Applicant will reduce potential criminal behavior such service may encourage.

(b) The security plan shall be designed to:

1. Prevent the use of cannabis on the licensed premises;
2. Prevent unauthorized individuals from entering the limited access area portion of the licensed premises;
3. Prevent theft or the diversion of cannabis, including maintaining all cannabis in a secure, locked room that is accessible only to authorized persons and, when the business is closed to the public, in a safe or vault or equivalent secured fixture.

5.13.030 Insurance.

- (a) All Applicants must provide at time of application a binder for worker's compensation insurance as required by state law and general liability insurance with minimum limits of \$1,000,000 per occurrence and a \$2,000,000 aggregate limit.
- (b) Licensee shall at all times maintain in force and effect worker's compensation insurance as required by state law and general liability insurance with minimum limits of \$1,000,000 per occurrence and a \$2,000,000 aggregate limit.
- (c) Insurance shall:
  - 1. Provide primary coverage;
  - 2. Carry limits as provided in this Chapter;
  - 3. Issue from a company licensed to do business in Colorado having an AM Best rating of at least A-VI; and,
  - 4. Be procured and maintained in full force and effect for duration of the License.
- (d) Licensee shall be required to maintain insurance under this section and shall annually provide the City a certificate of insurance evidencing the existence of a valid and effective policy. The certificate shall show the following:
  - 1. The limits of each policy, the name of the insurer, the effective date and expiration date of each policy, the policy number, and the names of the additional insureds; and,
  - 2. A statement that Licensee shall notify the City of any cancellation or reduction in coverage within seven days of receipt of insurer's notification to that effect. The Licensee shall forthwith obtain and submit proof of substitute insurance in the event of expiration or cancellation of coverage within 30 days.

#### **5.13.031 Report requirements.**

**A cannabis business shall report to the City Manager each of the following within the time specified. If no time is specified, the report(s) shall be provided within 72 hours of the event:**

- (a) Transfer or change of financial interest, manager, or Financier in the license to the City at least 30 days before the transfer or change;



- (b) File sales and use tax reports to the City monthly;
- (c) Any violation of law by any Licensee, Applicant, or employee of a regulated cannabis business;
- (d) A notice of potential violation of any law to any license;
- (e) Upon City request, any report that the regulated cannabis business is required to provide to the State; and
- (f) Licensee and any agent, manager or employee thereof shall immediately report to the Grand Junction Police Department any disorderly act, conduct or disturbance and any unlawful activity committed in or on the licensed premises, including, but not limited to, any unlawful sale of regulated cannabis, and shall also immediately report any such activity of which the Licensee has knowledge in the immediate vicinity of the business within twelve hours of the occurrence.
- (g) Each Licensee shall post and keep at all times visible to the public in a conspicuous place on the premises a sign with a minimum height of 14 inches and a minimum width of 11 inches with each letter to be minimum of one-half inch in height, which shall read as follows:

**WARNING:**

Grand Junction Police Department shall be notified of any disorderly act(s), conduct or disturbance(s) and all unlawful activity(ies) which occur on or within the premises of this licensed establishment.

- (h) It shall not be a defense to a prosecution of a Licensee under this section that the Licensee was not personally present on the premises at the time such unlawful activity, disorderly act, conduct, or disturbance was committed.
- (i) Failure to comply with the requirements of this section shall be considered by the Authority in any action relating to the issuance, revocation, suspension or nonrenewal of a license.

**5.13.032 Public health and labeling requirements.**

- (a) All regulated cannabis sold or otherwise distributed by the Licensee shall be labeled in a manner that complies with the requirements of the Colorado Marijuana Code and all applicable rules and regulations promulgated thereunder.

- (b) All regulated cannabis sold or otherwise distributed by the Licensee shall be accompanied by a warning that advises the purchaser that it contains cannabis and specifies the amount of cannabis in the product, that the cannabis is intended for regulated use solely by the person to whom it is sold, and that any resale or redistribution of the regulated cannabis to a third person is prohibited. In addition, the label shall comply with all applicable requirements of the State of Colorado and any other applicable law.**

**5.13.033 Cannabis sales; walk-up and drive through.**

- (a) Regulated cannabis stores licensed may serve customers through drive-up window as permitted by the City and the State. If a licensed business intends to permit a walk-up and/or drive-through sales, this must be included in the business plan submitted to the City in the application process.**

- (b) As allowed by this Code, the Zoning and Development Code, and any other application provision of the GJMC, a Licensee may apply for a modification of the Licensed premises to add a drive through.**

- (c) Order and identification requirements.**

- 1. Prior to transferring cannabis to a customer, the regulated cannabis business must ensure that the consumer is the minimum sales age or older by inspecting the consumer's identification.**
- 2. Regulated cannabis stores may accept telephone or online orders or may accept orders from the consumer at the walk-up window or drive-up window, to the extent allowed under state law.**
- 3. All orders received through a walk-up window or drive-through window must be placed by the customer from a menu. The regulated cannabis store may not display cannabis at the walk-up or drive-through window.**
- 4. Delivery windows for walk-up sales must be at a separate location on the premises than those for drive-through sales.**
- 5. For every transfer of regulated cannabis through either a walk-up window or drive-up window, the regulated cannabis store video surveillance must record the consumer's facial features with sufficient clarity to establish their identity (and consumer's vehicle in the event of drive-up window) and must record the Licensee verifying the consumer's identification and completion of the transaction through the transfer of regulated cannabis.**

**5.13.034 Prohibited acts. It shall be unlawful:**



- (a) For any person to sell cannabis or cannabis products without valid regulated cannabis business licenses from the City and a valid regulated cannabis business license from the State;**
- (b) For any person to operate a regulated cannabis business at a licensed regulated cannabis store any time not permitted by this Code;**
- (c) For any person to sell or distribute cannabis to persons under the age of 21;**
- (d) For any underage person to be on or within the limited access area of any cannabis business;**
- (e) For any person to display, transfer, cultivate, distribute, transfer, serve, sell, give away, produce, dispose of, smoke, use, or ingest cannabis or any cannabis openly or publicly in a place open to the general public;**
- (f) For any person to possess or operate a cannabis business in violation of this Chapter or in a manner that is not consistent with the items disclosed in the application for the cannabis business or be in violation of any plan made part of the License Application and/or License;**
- (g) For any person to produce, distribute, or possess more cannabis than allowed by law, or than disclosed in the application to the State of Colorado and the Authority for a cannabis business license, or other applicable law;**
- (h) For any person to refuse or fail to provide video surveillance footage to the Grand Junction Police Department, the City Manager, the City Attorney, or the Authority in connection with a criminal and/or license violation investigation, or to refuse to allow inspection of a cannabis business.**
- (i) For any person to refuse to allow inspection of a regulated cannabis business upon request of a City employee. Any Licensee, owner, manager, or operator of a regulated cannabis business, or the owner of the property where a regulated cannabis business is located, may be charged with this violation;**
- (j) For any person to store or keep cannabis intended for sale or distribution by the Licensee in any place outside of the licensed premises;**
- (k) For any person to smoke, use, or ingest on the premises of a regulated cannabis business cannabis, fermented malt beverage, malt, vinous, and spirituous liquor, or any controlled substance(s), except in compliance with the directions on a legal prescription for the person from a doctor with prescription writing privileges;**

- (l) For any person to operate or be in physical control of any cannabis business while under the influence of alcohol or other intoxicant, or cannabis, or any controlled substance(s), except in compliance with the directions on a legal prescription for the person from a doctor with prescription writing privileges;**
- (m) For alcohol beverages to be on the licensed premises;**
- (n) For any person to possess or operate a regulated cannabis business in violation of this Chapter;**
- (o) For any person to produce, distribute, or possess more cannabis than allowed by law; or than disclosed in the application to the State of Colorado for a regulated cannabis business license, or other applicable law;**
- (p) For any person to give away, dispense, or otherwise distribute cannabis for free or without use of a coupon approved and defined by this Code;**
- (q) For any person to knowingly conduct or permit any employee to conduct any sale(s) transaction(s) when the video surveillance system or equipment is inoperable;**
- (r) For any person to distribute cannabis for remuneration without a regulated cannabis license or outside of the restricted area of the regulated cannabis business;**
- (s) For any person to possess regulated cannabis, or own or manage a regulated cannabis business, or own or manage a building with a regulated cannabis business, where there is possession of regulated cannabis, by a person who is not lawfully permitted to possess regulated cannabis;**
- (t) For any person to possess or operate a regulated cannabis business in a location for which a regulated cannabis business license is prohibited by law;**
- (u) For any person to operate a regulated cannabis business in a manner that is not consistent with the Application for the regulated cannabis business or is in violation of any plan made part of the license application/issued license;**
- (v) For any person to operate a regulated cannabis business without obtaining and passing all building inspections and obtaining all permits required by the City;**
- (w) For any person to operate a regulated cannabis business in violation of any building, fire, zoning, plumbing, electrical, or mechanical code(s) as adopted and amended by the City;**



- (x) For any person to operate a regulated cannabis business without disclosing, in the application for a regulated cannabis business license or an amendment thereto, an agent who acts with managerial authority;**
- (y) For any person to operate a regulated cannabis business without a sales tax license as required by the GJMC;**
- (z) For any person to make any change(s), or for the Licensee to allow any change(s), to the terms of any plan(s) submitted with the license application and approved by the City, or the person(s) entity(ies) named in the application, without prior approval of the City;**
- (aa) For any person to attempt to use or display a regulated cannabis business license at a different location or for a different business entity than the location and business entity disclosed on the application for the issued license;**
- (bb) For any person to cultivate, produce, distribute, or possess regulated cannabis or own or manage a regulated cannabis business in which another person cultivates, produces, distributes, or possesses cannabis, in violation of law;**
- (cc) For any person to allow an owner or manager that has not been disclosed to the City as required by law to operate the business;**
- (dd) For any person to dispose of regulated cannabis or any by-product of regulated cannabis containing cannabis in a manner contrary to law;**
- (ee) For a person to distribute a regulated cannabis plant to any person, except as permitted by law for immature plants;**
- (ff) For any person to deliver regulated cannabis between regulated cannabis businesses except in strict compliance with law;**
- (gg) For any person to advertise or publish materials, honor coupons, sell or give away products, or display signs that are in violation of this Code or the laws of the State of Colorado;**
- (hh) For any person to violate any provision of this Code or any condition of a license granted pursuant to this Code or any law, rule, or regulation applicable to the use of regulated cannabis or the operation of a regulated cannabis business;**
- (ii) For any person to permit any other person to violate any provision of this Code or any condition of an approval granted pursuant to this Code, or any**

law, rule, or regulation applicable to the use of regulated cannabis or the operation of a regulated cannabis business;

- (jj) For any person to lease any property to a regulated cannabis business that has cannabis on the property without a regulated cannabis business license from the City;
- (kk) For any person to distribute cannabis within a regulated cannabis business to any person who shows visible signs of intoxication from alcohol, cannabis, or other drug(s)/intoxicant(s);
- (ll) For any person to be on or within the licensed premises if such person is under 21 years of age;
- (mm) For any person to permit any person under 21 years of age on the premises of the regulated cannabis business; it is presumed that the Licensee is aware of the age of all people on the premises if identification is not specifically checked at the entry to the building;
- (nn) For any person to fail to confiscate fraudulent proof of age and notify the Grand Junction Police Department. It shall be an affirmative defense to failure to confiscate the fraudulent proof of age if an attempt to confiscate a fraudulent proof of age caused a reasonable person to believe the act created a threat to any person;
- (oo) For any person to fail to provide a copy or record of a coupon issued by or redeemed at the regulated cannabis business upon request of an authorized City employee;
- (pp) For any licensee or any manager, agent, or employee of such licensee to fail to immediately report to the Grand Junction Police Department and the Authority any disturbance(s), disorderly conduct or criminal activity occurring at the regulated cannabis business, on the licensed premises, within the licensed premises, or any property under the control or management of the Licensee, including any associated contiguous parking area used by Licensee's patrons. For the purpose of this subsection, "report" means to either:
  1. Immediately, verbally, and directly in person notify any on-site uniformed Grand Junction Police Officer whether on duty or working secondary employment; or
  2. Immediately place and complete a telephone call to the non-emergency line at the Grand Junction Police Department; or



**3. Immediately place and complete a telephone call to the emergency line at the Grand Junction Police Department.**

- (qq) For any person to fail to post the premises with signs notifying the public of the closure of the business during a suspension as required by this Chapter;**
- (rr) For any licensee holding a regulated cannabis store license, or for any agent, manager, or employee thereof, to sell, give, dispense, or otherwise distribute cannabis or regulated cannabis paraphernalia from any outdoor location;**
- (ss) For any person to employ a business manager that has not been properly registered with the City; and,**
- (tt) For any person to operate or possess a regulated cannabis business license in violation of any ordinance or regulation of the City, or any applicable law, rule, or regulation.**

**Any person who pleads guilty or no contest to, or who, after hearing, is found to have violated any of the foregoing shall be subject to penalties pursuant to Chapter 1.04.080 and any penalties specifically referenced within the GJMC.**

**5.13.035 Nonrenewal, suspension or revocation of license.**

- (a) The term and renewal of the license shall be governed by the standards and procedures set forth in the Colorado Marijuana Code, the City's Code and any rules and regulations adopted pursuant thereto.**
- (b) The Authority, acting by and through the Hearing Officer, may, after notice and hearing, suspend, revoke, or deny renewal of a license for any of the following reasons:**
  - 1. The Applicant or licensee, or his or her agent, manager, or employee, or financier has violated, does not meet, or has failed to comply with, any of the terms, requirements, conditions, or provisions of this Code or with or with any applicable state or local law, rule, or regulation;**
  - 2. The Applicant or Licensee, or his or her agent, manager or employee, or financier has failed to comply with any special terms or conditions of its license pursuant to an order of the state or the Authority, including those terms and conditions that were established at the time of issuance of the license and those imposed because of any disciplinary proceeding(s) held subsequent to the issuance of the license;**
  - 3. The regulated cannabis business has been operated, by a preponderance of the evidence, in a manner that adversely affects the public health, safety or welfare;**

4. **Misrepresentation or omission of any material fact, or false or misleading information, on the application any amendment thereto, or renewal request, or any other information provided to the City related to the regulated cannabis business;**
5. **Violation of any law by which, if occurring prior to and during submittal and review of the application, could have been cause for denial of the license application;**
6. **Distribution of cannabis, including, without limitation, in violation of this Chapter or any other applicable law, rule, or regulation;**
7. **Failure to maintain, or provide to the City upon request, any books, recordings, reports, or other records required by this Chapter;**
8. **Failure of the Licensee to file any report(s), notification(s) or furnish any information as required by the provisions of this Chapter, or any rule or law adopted pursuant thereto relating to any license authorized by law;**
9. **Failure to timely notify the City and to complete necessary form(s) for change(s) in financial interest, manager(s), financier, or agent;**
10. **Temporary or permanent closure, or other sanction of the business, by the City, or by the County or State of Colorado or other governmental entity with jurisdiction, for failure to comply with health and safety provisions of this Chapter or otherwise applicable to the business or any other applicable law;**
11. **Revocation or suspension of another regulated cannabis business or any other license issued by the City, the State, or any other jurisdiction held by any Licensee of the regulated cannabis business;**
12. **Failure to timely correct any violation of any law or comply with any order to correct a violation of any law within the time stated in the notice or order;**
13. **Abandonment of the licensed premises by the Licensee or otherwise ceasing of operations without notifying the Authority and the state licensing authority within 48 hours in advance and without accounting for and forfeiting to the state licensing authority for the destruction of all cannabis or products containing cannabis;**
14. **Failure to comply with the provisions of the Colorado Marijuana Code, the City's Code, and any rule or regulation adopted pursuant thereto, or any special term or condition placed upon the Licensee by order of the Authority or State licensing authority.**



15. Violations of any conditions imposed in connection with the issuance or renewal of the license;
16. Failure to pay all required fines, interest, costs, fees, or penalties assessed against or imposed upon such Licensee in relation to the licensed cannabis business;
17. Failure to file tax returns when due as required by this Code, or the Licensee is overdue on his or her payment to the state or local taxes related to the operation of the business associated with the License;
18. Loss of right of possession to the licensed premises;
19. Failure of the licensee to comply with the duty to supplement the license application;
20. Failure of the licensee to operate in accordance with any special term or condition placed upon a license by the Authority or the state licensing authority;
21. The licensee, or any of agent(s) or employee(s) of the Licensee, have committed any unlawful act as described in this Chapter or violated any ordinance of the City or any state law on the premises or have permitted such a violation on the premises by any person;
22. The licensee has knowingly permitted or encouraged, or has knowingly and unreasonably failed to prevent a public nuisance within the meaning of this Chapter from occurring in or about the licensed premises;
23. The odor of cannabis is perceptible to an ordinary person at the exterior of the building at the licensed premises or is perceptible within any space adjoining the licensed premises;
24. The licensee knowingly permitted or allowed the consumption of cannabis on the licensed premise;
25. The licensee knowingly permitted the possession or consumption of an alcohol beverage within the licensed premises. At any hearing for violation of this subsection, any bottle, can, or other container label indicating the contents of such bottle, can, or other container, shall be admissible into evidence and shall be prima facie evidence that the contents of the bottle, can, or other container was composed in whole or in part an alcohol beverage;
26. The licensee has failed to appear upon a Municipal or State Court summons;

27. The licensee, or any of the officer(s), director(s), owner(s), manager(s), agent(s), or employee(s) has(have) been convicted of a felony or drug related criminal offense within the previous 12 months;
  28. The licensee engaged in any form of business or commerce involving the cultivation, processing, manufacturing, storage, sale, distribution, transportation, research, or consumption of any form of cannabis or cannabis product other than the privileges granted under the regulated cannabis business license;
  29. The licensee has materially or substantially, changed, altered, or modified the licensed premises, or use of the licensed premises, without obtaining prior approval to make such changes, alterations, or modifications from the Authority;
  30. The licensee has failed to maintain a valid state license; and,
  31. The licensee, or any of the agent(s), servant(s) or employee(s) of the licensee has/have violated any ordinance of the City or any state or federal law on the premises or have permitted such a violation on the premises by any other person.
- (c) Evidence to support a finding of a violation(s) may include, without limitation, one or a combination of the following;
1. A continuing pattern of disorderly conduct, disturbance(s) or criminal activity occurring at the location, on the licensed premises, within the licensed premises, or any adjoining grounds or property under the control or management of the licensee;
  2. An ongoing nuisance condition emanating from or caused by the regulated cannabis business.
- (d) In the event a business or Licensee is charged with violation of any law, upon which a final judgment would be grounds for suspension or revocation of a license, the City may suspend the license pending the resolution of the alleged violation.
- (e) If the City revokes or suspends a license, the regulated cannabis business may not move any cannabis from the premises except under the supervision of the Grand Junction Police Department.
- (f) The Authority shall conduct a review of all licenses at least annually and, in addition to examining the factors enumerated in this subsection, may hold a hearing on each license at which the general public may be invited to appear and provide testimony as to the effects of the license on the surrounding



community and the City at large, and the Authority may take such views into consideration when deciding whether to continue or renew such license.

(g) In the event of the suspension of a regulated cannabis business license, during the period of suspension, the business:

1. Shall post two notices provided by the Authority, in conspicuous places, one on the exterior and one on the interior of its premises for the duration of the suspension; and
2. Shall not sell or otherwise distribute or transport cannabis, nor allow any customers into the licensed premises.

#### **5.13.036 Operational Standards.**

All regulated cannabis businesses shall comply with the applicable state and local laws, rules, and regulations, as amended. In addition, Licensees shall comply with the following local operational standards. Failure to comply with any State or local law, rule or regulation or any operational standard(s) may be grounds to suspend or revoke any license and impose civil penalties where applicable.

- (a) Odor management – ventilation required. For all cannabis businesses, ventilation shall be installed so that the odor of cannabis cannot be detected by a person with a normal sense of smell at the exterior of a regulated cannabis business or at any adjoining use or property.
- (b) Hours of operation. A regulated cannabis business shall be closed to the public, and no sale or other distribution of cannabis shall occur upon the premises between the hours of 10 p.m. and 8 a.m. Provided, however, if a planned delivery of cannabis cannot be completed on the day scheduled, the cannabis may be returned to the business.
- (c) Display of licenses required. The name and contact information for the owner or owners and any manager of the regulated cannabis business, the regulated cannabis business license, and the sales tax business license shall be conspicuously posted inside the business near the main entrance.
- (d) During the term of the License, the Licensee shall have the ongoing obligation to operate in conformance with this Code and all other applicable laws, rules, and regulations.
- (e) The Licensee shall provide the City with copies of all material that it voluntarily files, or is required to file, with the Colorado Department of Revenue Marijuana Enforcement Division.

- (f) The Licensee shall post a 24-inch x 36-inch sign(s) within the licensed premises of a regulated cannabis business which includes the warning statements that comport with Marijuana Enforcement Division regulations, as the same may be amended from time to time and as presently set forth in Rule 6-115 of the Colorado Department of Revenue Marijuana Enforcement Division Permanent Rules Related to the Colorado Regulated Marijuana Code, as amended. Owner or manager required on premises. No regulated cannabis business shall be managed by any person other than the Licensee, or the manager(s) listed on the Application for the License or a renewal thereof. Such Licensee or manager(s) shall be on the premises and responsible for all activities within the licensed business during all times when the business is open.**
- (g) Owner or manager required on premises. No regulated cannabis business shall be managed by any person other than the Licensee, or the manager(s) listed in the Application for the License or a renewal thereof. Such Licensee or manager(s) shall be on the premises and responsible for all activities within the licensed business during all times when the business is open.**

#### **5.13.037 Records.**

- (a) Each Licensee shall keep a complete set of books of account, invoices, copies of orders and sales, shipping instructions, bills of lading, weigh bills, correspondence, bank statements, including cancelled checks and deposit slips, and all other records necessary to show fully the business transactions of such Licensee. Receipts shall be maintained in a computer program or by pre-numbered receipts and used for each sale. The records of the business shall clearly track regulated cannabis product inventory purchased and sales and disposal thereof to clearly track revenue from sales of any regulated cannabis from other paraphernalia or services offered by the regulated cannabis business.**
- (b) All records shall be open at all times during business hours for the inspection and examination of the City or its duly authorized representatives.**
- (c) The City shall require any 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 cannabis received or purchased, and the amount, price, dates, customer names, addresses, and contact information for all regulated cannabis sold.**
- (d) By applying for a regulated cannabis business license, the Licensee is providing consent to disclose the information required by this Chapter, including information about customers. Any records provided by the**



Licensee that includes customer confidential information may be submitted in a manner that maintains the confidentiality of the documents under the Colorado Open Records Act, § 24-72-201, *et seq.*, C.R.S., or other applicable law. 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. If the Licensee does appropriately submit documents so as not to be disclosed under the Colorado Open Records Act, the City shall not disclose it to other parties who are not agents of the City, except law enforcement agencies. If the City finds that such documents are subject to inspection, it will provide at least 24-hour notice to the Applicant prior to such disclosure.

**5.13.038 Audits, examinations, and inspections.**

- (a) The City may require an audit, examination, or inspection to be made of the books of account and financial records of a regulated cannabis business on such occasions as it may deem necessary. Such audit may be made by a person(s) to be selected by the City that shall likewise have access to all books, records, and information of the regulated cannabis business. The expense of any audit, examination or inspection determined necessary by the City shall be paid by the regulated cannabis business.
  
- (b) Application for regulated cannabis business license and/or operation of a regulated cannabis business, or leasing property to a regulated cannabis business, constitutes consent by the Applicant, and all owner(s), manager(s), and employees of the business, and the owner of the property to permit the Authority or agent of the Authority, or anyone authorized to conduct routine inspections of the regulated cannabis business to ensure compliance with this Chapter or any other applicable law, rule, or regulation. The owner or manager on duty shall retrieve and provide the records of the business pertaining to the inspection. For purposes of Rule 241 of the Colorado Rules of Municipal Procedure, inspections of regulated cannabis businesses and recordings from security cameras in such businesses are part of the routine policy of inspection and enforcement of this Chapter for the purposes of protecting the public safety, individuals operating and using the services of the regulated cannabis business, and the adjoining properties and neighborhood. This section shall not limit any inspection authorized under any other provision of law or regulation, including those of police, fire, building, and code enforcement officials. Application for a regulated cannabis business license constitutes consent to inspection of the business as a public premises without a search warrant, and consent to seizure of any surveillance records, camera recordings, reports, or other



materials required as a condition of a regulated cannabis license without a search warrant.

- (c) The licensed premises, including any places of storage where regulated marijuana or regulated marijuana products are stored, sold, dispensed, or tested are subject to inspection by the City, during all business hours and other times of apparent activity, for the purpose of inspection or investigation. When any part of the licensed premises consists of a locked area, upon demand to the Licensee, such area must be available for inspection without delay, and upon request by the City, the Licensee shall open the area for inspection.
- (d) Initial inspection. The City may inspect any regulated cannabis businesses prior to final issuance of a license to verify that the facilities are constructed and can be operated in accordance with the Application submitted and the requirements of laws.
- (e) Regular inspections. The City is authorized to perform regular inspections on a quarterly basis during the first year following licensure, and on a yearly basis prior to license renewal following the first year of operation.
- (f) Random inspections. Regular licensing inspection(s) shall not prevent the City from inspecting regulated cannabis businesses at random intervals and without advance notice pursuant to the City's Code, the Colorado Marijuana Code, the Colorado Department of Revenue Enforcement Division Marijuana Rules, the Colorado Constitution, the City's Code, or any rule and regulations adopted thereto.
- (g) Inspection of records. The records to be maintained by each regulated cannabis business shall include the source and quantity of any cannabis distributed, produced, or possessed within the premises. Such reports shall include, without limitation, for both acquisitions from wholesalers and transactions to patients or caregivers, the following:
  - 1. Name and address of seller or purchaser;
  - 2. Date, weight, type of cannabis, and monetary amount or other consideration of transaction;
  - 3. For wholesaler transactions, the state and City, if any, sales and use tax license number of the seller.
- (h) Disposal of regulated cannabis and cannabis byproducts. All regulated cannabis and any product containing a usable form of cannabis must be made unusable and unrecognizable prior to removal from the business in



compliance with all applicable laws. This provision shall not apply to licensed law enforcement, including without limitation, the Grand Junction Police Department, and the Grand Junction Fire Department.

- (i) The manager of a regulated cannabis business is required to respond by telephone or email within 24 hours of contact by a City official concerning its cannabis business at the telephone number or email address provided to the City as the contact for the business. Each 24-hour period during which an owner or manager does not respond to the City official shall be considered a separate violation.

#### **5.13.039 Modification of premises.**

- (a) Any modification of the licensed premises shall be governed by the standards and procedures set forth in the Colorado Marijuana Code, this Chapter, and any regulations adopted pursuant thereto.
- (b) The Authority shall administer applications to modify the premises in the same manner as the state licensing authority administers changes of location and modifications of premises for state licenses.
- (c) Any application for a proposed modification of the licensed premises shall comply with and shall be subject to review and approval of the Building Departments and any other agency that is required to approve such modification.

#### **5.13.040 Renewals.**

- (a) A regulated cannabis business license issued pursuant to this Chapter shall be valid for one year from the date of issuance and shall automatically expire on the last day of the month in which the License is issued of the year following issuance or renewal of the License.
- (b) Licensee must apply for the renewal of an existing license at least 45 days prior to the License's expiration date. The Licensee shall apply for renewal using forms provided by the City. If the Licensee fails to timely file a renewal application, the Licensee must provide a written explanation detailing the circumstances surrounding the late filing. If the Authority accepts the application, then it administratively continues the License beyond the expiration date, but for no longer than 45 days after the expiration date, while the Authority completes the renewal licensing process, in which case, the Licensee shall pay an additional fee to the City prior to issuance of the renewed license. The renewal license fee, and late fee if applicable, shall accompany the renewal application. Such fee(s) are nonrefundable.

- (c) In the event that there has been a change to any of the plans submitted with the license application, a renewal, or modification of the premises application, such change(s) shall be specifically proposed and described prior to being made by the Licensee and/or approved, if at all, by the Authority.
- (d) In the event any person who has an interest in the License or any manager, financier, agent as defined herein, or employee has been charged with or accused of violations of any law since issuance of the License, the renewal application shall include the name of the violator, the date of the violation, the court and case number where the violation was filed, and the disposition of the violation with the renewal application.
- (e) In the event the regulated cannabis business Licensee has received any notice of violation of any law, the renewal application shall include a copy of the notice or suspension.
- (f) The renewal application shall include verification that the business has a valid state license, and the state license is in good standing.
- (g) The Authority shall not accept renewal applications after the expiration of the License.
- (h) No renewal application shall be accepted by the Authority that is not complete. Any application mailed to or deposited with the Authority that, upon examination, is found to have some omission or error, shall be returned to the Applicant for completion or correction.
- (i) In the event there have been allegations of violations of this Chapter, if the Licensee has a history of violation(s), or if the Licensee has committed unlawful acts, and/or if there are allegations against the Licensee that would constitute cause as defined herein by any of the Licensee(s) or the business submitting a renewal application, the Authority may hold a hearing pursuant to § 5.13.027 of this Chapter, prior to approving the renewal application. The hearing shall be to determine whether the application and proposed Licensee(s) comply with this Chapter. If the Authority holds a hearing and the application and the Licensee is found to meet the requirements of this Chapter, or the business has been operated in the past in violation of law, rule, or regulation, then the renewal application may be denied or issued with conditions, and the Authority's decision shall be final subject to judicial review.
- (j) All renewal applications shall be reviewed and evaluated by the Authority if no hearing is scheduled. The Authority may refuse to renew any license for



good cause as defined by the Hearing Officer in accordance with this Chapter, and any applicable law, rule, or regulation.

- (k) In the event a regulated cannabis business that has been open and operating and submitting monthly sales and use tax returns to the City ceases providing sales and use tax returns to the City for a period of three months or longer, the cannabis business license shall be set for a public hearing for the Authority to determine if the License shall be revoked.
- (l) In the event the City incurs costs in the inspection, clean-up, or any other necessary or required action to remove regulated cannabis of any regulated cannabis business, or any person cultivating, producing, distributing, or possessing cannabis, or otherwise cause the business to be in compliance with applicable law, the Licensee shall reimburse the City all costs incurred by the City for such inspection and/or cleanup.

#### **5.13.041 Compliance monitoring.**

- (1) The City shall monitor compliance with this Chapter, as it deems appropriate.
- (2) The City shall have the discretion to consider any or all previous compliance check histories of a Licensee in determining how frequently to conduct compliance checks of a Licensee with respect to any licensee(s).
- (3) Compliance checks shall be conducted as the City determines appropriate so as to allow the City to determine, at a minimum, if the regulated cannabis business is conducting business in a manner that complies with law.
- (4) It shall not be a violation of the law for a person under the minimum sale age for cannabis purchases or possession to purchase or possess cannabis products if the underage person is participating in a compliance check supervised by any person authorized by the City or the State of Colorado to conduct compliance monitoring.

#### **5.13.042 Sales tax.**

Each regulated cannabis business shall collect and remit City sales and use tax on all regulated cannabis, paraphernalia and other tangible property used or sold at the licensed premises as provided by the Grand Junction Municipal Code and other applicable law.

### 5.13.043 Violations and Penalties.

- (a) The Authority shall hear all actions relating to the suspension or revocation of licenses pursuant to this Chapter. The Authority shall have the authority to impose disciplinary actions, sanctions, and/or penalties upon a Licensee including but not limited to additional terms and conditions on the license, a fine in lieu of a suspension, a suspension or a revocation of a license issued by the Authority for any violation by the Licensee or by any of the agents or employees of the Licensee of any provision of the Colorado Marijuana Code, the City's Code, any rule or regulation adopted pursuant thereto, any building, fire, health or zoning statute, code, or ordinance, or any of the rules and regulations adopted pursuant thereto, in addition to any other penalties prescribed by this Code.
- (b) In addition to the possible denial, suspension, revocation or nonrenewal of a license under the provisions of this Chapter, any person, including but not limited to, any Licensee, manager or employee of a regulated cannabis business, or any customer of such business, who violates any of the provisions of this Chapter, shall be guilty of a misdemeanor offense punishable in accordance with § 1.04.090 of this Code. A person committing a violation shall be guilty of a separate offense for each and every day during which the offense is committed or continued to be permitted by such person and shall be punished accordingly.
- (c) The City shall initiate suspension or revocation proceedings by petitioning the Authority to issue an order to the Licensee to show cause that the Licensee's license should not be suspended or revoked. The Authority shall issue such an order to show cause if the petition demonstrates that evidence exists to determine that one or more grounds exist to suspend or revoke the Licensee's license. The order to show cause shall set the matter for a public hearing before the Licensing Authority.
- (d) At a public hearing, the Licensee shall have the opportunity to be heard, to present evidence and witnesses, and to cross examine witnesses presented by the City. The 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 any hearing that the Authority is authorized to conduct. The standard of proof at such hearings shall be a preponderance of the evidence. The burden of proof shall be upon the City. The Authority shall be permitted to accept any evidence that the Hearing Officer finds to be relevant to the show cause proceeding.



- (e) If the Authority, acting by and through the Hearing Officer, finds that a violation has occurred, the Authority may:**
- (1) Revoke the license for any period up to and including permanent revocation;**
  - (2) Suspend the license for any period of time;**
  - (3) Impose a fine or fine in lieu of suspension of at least \$500.00 but no more than \$100,000.00;**
  - (4) Establish conditions that must be met before the license holder may apply for reinstatement of the license; and,**
  - (5) The Authority may impose the costs to conduct a public hearing upon a Licensee who has violated any of the provisions prescribed by this Chapter.**
- (f) Payment of fines or costs pursuant to the provisions of this Chapter shall be in the form of a certified check or cashier's check made payable to the City of Grand Junction and paid within seven days of the imposed sanction.**
- (g) If the Authority finds that the license shall be suspended or revoked or a fine imposed in lieu of a suspension, the Licensee shall be provided written notice of such fine, suspension or revocation with the reasons therefore within 20 days following the date of the hearing.**
- (h) The Authority will establish factors to consider when determining the amount of fine to impose and adopt guidance for penalties and/or fines. That guidance will be used consistently for all imposed penalties.**
- (i) If a license is suspended, the Licensee must post notice that states the License is under suspension or revocation due to violation(s) of this Chapter, and that all sales of cannabis products are prohibited for the period of the suspension. The signage shall be prominently displayed at all entrances on the premises for the entirety of the suspension or revocation.**
- (j) When a License has been revoked, no new license shall be issued to the same Licensee for the period of two years after the revocation.**

- (k) All Licensees are assumed to be fully aware of the law and the City shall not therefore be required to issue warnings before issuing citations for violation(s) of this Chapter.
- (l) If the Authority suspends or revokes a license or imposes a fine the Licensee may appeal the fine, suspension or revocation to the Mesa County District Court pursuant to Rule 106(a)(4) of the Colorado Rules of Civil Procedure. The Licensee's failure to timely appeal the decision is a waiver of the Licensee's right to contest the fine imposed or the suspension or revocation of the Licensee.
- (m) No fee or portion thereof previously paid by a Licensee in connection with a license shall be refunded if the licensee's license is suspended or revoked.

#### **5.13.044 Remedies.**

The City is specifically authorized to seek an injunction, abatement, restitution, or any remedy necessary to prevent, enjoin, remove, or prosecute any violation or unlawful act under this Chapter, and any remedies provided for herein shall be cumulative and not exclusive and shall be in addition to any other remedies provided by law or in equity. Any and all action(s) shall be filed in the Municipal Court.

#### **5.13.045 No City liability; indemnification.**

- (a) By accepting a license issued pursuant to this Chapter, the Licensee waives and releases the City, its officers, elected officials, employees, attorneys, and agents from any liability for injuries, damages or liabilities of any kind that result from any arrest or prosecution of business owners, operators, employees, clients, or customers for a violation of municipal, state, or federal laws, rules, or regulations.
- (b) By accepting a license issued pursuant to this Chapter, all Licensees, jointly and severally if more than one (1), agree to indemnify, defend and hold harmless the City, its officers, elected officials, employees, attorneys, agents and insurers against all liability, claims and demands on account of any injury, personal injury, sickness, disease, death, property loss or damage, or any other loss of any kind whatsoever arising out of or in any manner connected with the operation of the regulated cannabis business that is the subject of the license.

#### **5.13.046 Severability.**



This chapter is necessary to protect the public health, safety, and welfare of the residents of the City and covers matters of local concern or matters of mixed State and local concern as provided by § [44-11-101](#), C.R.S.

If any provision of this chapter is found to be unconstitutional or illegal, such finding shall only invalidate that part or portion found to violate the law. All other provisions shall be deemed severed or severable and shall continue in full force and effect.

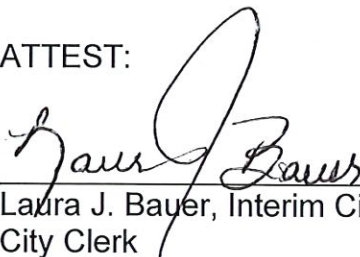
**5.13.047 Administrative regulations; Action by City Council.**


- (a) The City Manager is authorized to promulgate such rules, regulations, and forms as are necessary to effectuate the implementation, administration, and enforcement of this Chapter.
- (b) The City Council may, consistent with the Charter and other applicable law, amend this Chapter to stay current with applicable state laws, rules, and regulations so long as no amendment, restriction, provision, rule, or regulation shall be no less stringent than that imposed, if at all by Colorado law.

Introduced on first reading the 16<sup>th</sup> day of March 2022 and ordered published in pamphlet form.

Adopted on second reading this 6<sup>th</sup> day of April 2022 and ordered published in pamphlet form.

ATTEST:

  
\_\_\_\_\_  
Laura J. Bauer, Interim City Clerk  
City Clerk

  
\_\_\_\_\_  
C. B. McDaniel  
President of City Council



I HEREBY CERTIFY THAT the foregoing Ordinance, being Ordinance No. 5064 was introduced by the City Council of the City of Grand Junction, Colorado at a regular meeting of said body held on the 16<sup>th</sup> day of March 2022 and the same was published in The Daily Sentinel, a newspaper published and in general circulation in said City, in pamphlet form, at least ten days before its final passage.

I FURTHER CERTIFY THAT a Public Hearing was held on the 6<sup>th</sup> day of April 2022, at which Ordinance No. 5064 was read, considered, adopted and ordered published in pamphlet form by the Grand Junction City Council.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said City this 8<sup>th</sup> day of April 2022.

  
Deputy City Clerk

Published: March 18, 2022  
Published: April 8, 2022  
Effective: May 8, 2022

