

CITY OF GRAND JUNCTION, COLORADO

ORDINANCE NO. 5145

AN ORDINANCE TO AMEND TITLE 21 CHAPTER 4 AND CHAPTER 10 OF THE GRAND JUNCTION MUNICIPAL CODE REGARDING USE STANDARDS AND FOR SPECIFIC LOCATIONS OF CANNABIS MANUFACTURING BUSINESSES, AND DEFINITIONS FOR SUCH BUSINESSES

RECITALS:

The City desires to maintain effective regulations in its Zoning and Development Code (Title 21 of the Grand Junction Municipal Code ("GJMC")); regulations that encourage and require appropriate use of land throughout the City while taking into consideration the needs and desires of the citizens of Grand Junction.

Although Federal law criminalizes the use and possession of marijuana as a Schedule 1 controlled substance under the Controlled Substance Act, on June 7, 2010, former Governor Ritter signed into law House Bill 10-1284 and Senate Bill 10-108 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 centers, optional premises cultivation operations and medical marijuana infused products manufacturers.

At the time of House Bill 10-1284 and Senate Bill 10-108's passing, a moratorium was in effect in the City for the licensing, permitting and operation of marijuana businesses. The moratorium, which was initially declared on November 16, 2009 (through Ordinance 4437), was for a period of twelve months and 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 October 13, 2010, City Council adopted Ordinance 4446 which extended the moratorium to July 1, 2011.

At the April 5, 2011 election, the electorate voted in favor of prohibiting the operation of medical marijuana businesses and the amendment of the GJMC by prohibiting certain uses of marijuana (Measure A).

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

On February 6, 2013, City Council approved Resolution No. 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 No. 4599 which prohibited the operation of marijuana cultivation facilities, marijuana product manufacturing facilities, marijuana testing facilities, and retail marijuana stores. Ordinance No. 4599 also amended Sections in Title 5, Article 15 of the GJMC that prohibit 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 which 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 cannabis. In October 2016, City Council passed Ordinance No. 4722 which amended Ordinance 4599 and Section 21.04.010 of the GJMC to allow marijuana testing facilities in the City.

On January 20, 2021, the City Council approved Resolution No. 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. 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 cannabis businesses.

City Council has decided to allow certain regulated cannabis businesses within the City. On April 6, 2022, the City Council approved Ordinance No. 5064, the adoption of which included certain cannabis use licenses and regulations in the GJMC. On May 4, 2022, the City Council adopted Ordinance No. 5070 related to cannabis business licensing land use regulations, including use standards, buffering, and signage requirements.

City staff and community members, including the Cannabis Working Group, have researched, reviewed, and discussed various approaches to manufacturing of cannabis products within the City. Regulations have been established at the state level with the adoption and implementation of the Colorado Marijuana Code in the Colorado Revised Statutes (C.R.S. 44-10-101, *et. seq.*); however, regulation of regulated marijuana uses at the state level alone are inadequate to address the impacts on the City of regulated cannabis, making it appropriate for the City to regulate the impacts of regulated cannabis uses.

The City has a valid interest in regulating zoning and other impacts of cannabis businesses in a manner that is consistent with constitutional and statutory standards. The City Council desires to facilitate the provision of quality regulated cannabis in a safe manner while protecting existing uses within the City. Regulation of the manner of operation and location of regulated cannabis uses is necessary to protect the health, safety and welfare of both the public and the customers. The proposed ordinance is

intended to allow manufacturing of cannabis products that will have a minimal impact and where potential negative impacts are minimized.

This proposed ordinance amends the City’s Code to permit cannabis manufacturers in the specific zone districts where like uses are permitted through an overlay informed by specific land uses including, certain schools and specific rehabilitation facilities, as well as residential districts. Post-extraction cannabis businesses are proposed to be permitted in line with commercial uses. This ordinance also includes definitions for cannabis manufacturing businesses.

After public notice and public hearing as required by the Grand Junction Zoning and Development Code, the Grand Junction Planning Commission recommended approval of the proposed amendments.

After public notice and public hearing, the Grand Junction City Council finds that the amendments to allow cannabis manufacturing businesses by and through the uses and the Use Table, are responsive to the community’s desires and otherwise advance and protect the public health, safety and welfare of the City and its residents.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION THAT THE FOLLOWING SECTIONS OF THE GRAND JUNCTION MUNICIPAL CODE INCLUDING TITLE 21: ZONING AND DEVELOPMENT CODE ARE AMENDED AS FOLLOWS (new text additions underlined and deletions marked with strike-through notations):

21.04.010 Use Table.

Key: A = Allowed, C = Conditional, Blank Cell = Not Permitted

Use Category	Principal Use	R-R	R-E	R-1	R-2	R-4	R-5	R-8	R-12	R-16	R-24	R-O	B-1	B-2	C-1	C-2	CSR	M-U	BP	I-O	I-1	I-2	M X-	Std.
Manufacturing and Production – firms involved in the processing, fabrication, packaging, or assembly of goods	<u>Cannabis Manufacturer</u>															A*				A*	A*	A*		
Retail Sales and Service	<u>Post-Extraction Cannabis Processor</u>													A	A	A		A	A	A	A	A	A	

*Subject to the zone district being located within the adopted zoning overlay.

21.04.030 Use-specific standards.

(x) Cannabis Product Manufacturing Facilities.

(1) Applicability. These regulations apply to all Cannabis Manufacturing Businesses in the City in addition to the other provisions in the GJMC pertaining to cannabis businesses, including but not limited to, GJMC Chapters 5.10, 5.13, and 5.15.

(2) Zoning.

(i) A Conditional Use Permit, if required by another provision in this Code, is not required for a Cannabis Manufacturing Business.

(ii) Overlay established.

(A) The purpose of the Cannabis Manufacturer Overlay is to provide appropriate locations for extraction and processing of cannabis to occur within City limits while considering proximity to schools, rehabilitation facilities, and residential land uses.

(B) The Cannabis Manufacturer Overlay includes properties within the General Commercial (C-2) and Industrial (I-O, I-1, and I-2) zone districts as identified on the maps below.

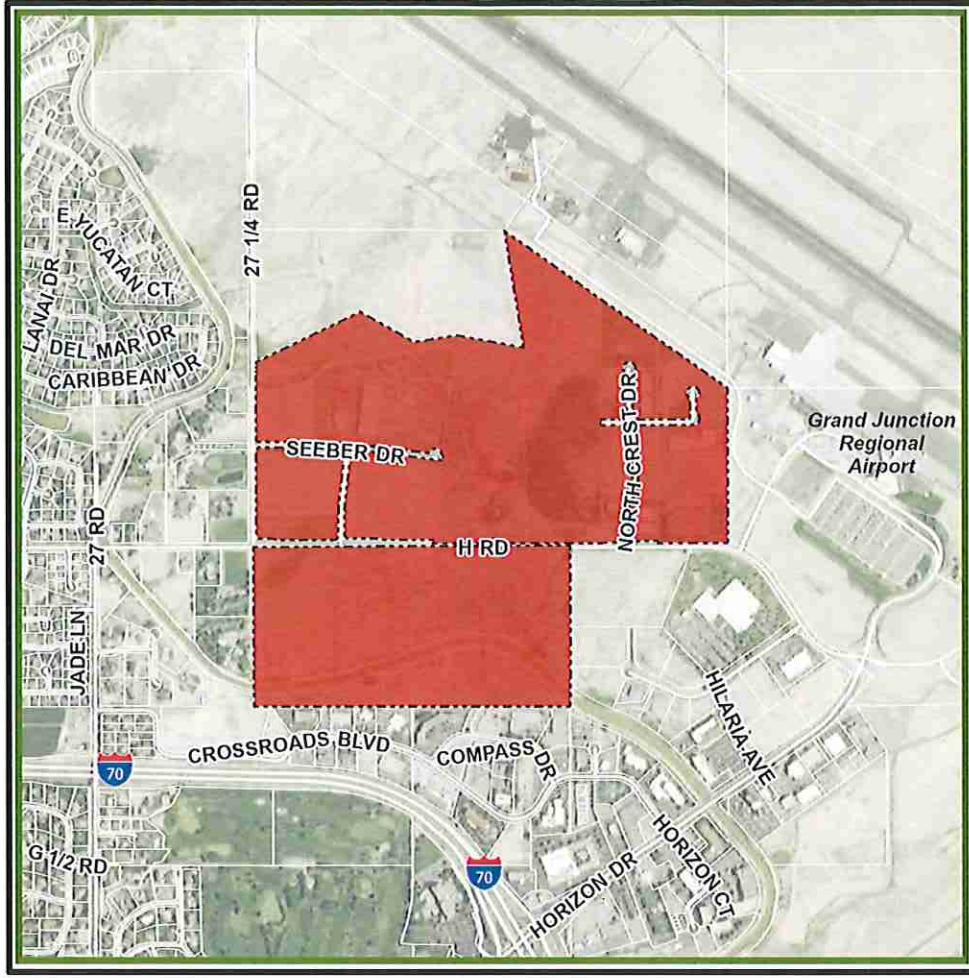


Figure 1 - Cannabis Manufacturer Overlay, Horizon Drive Area

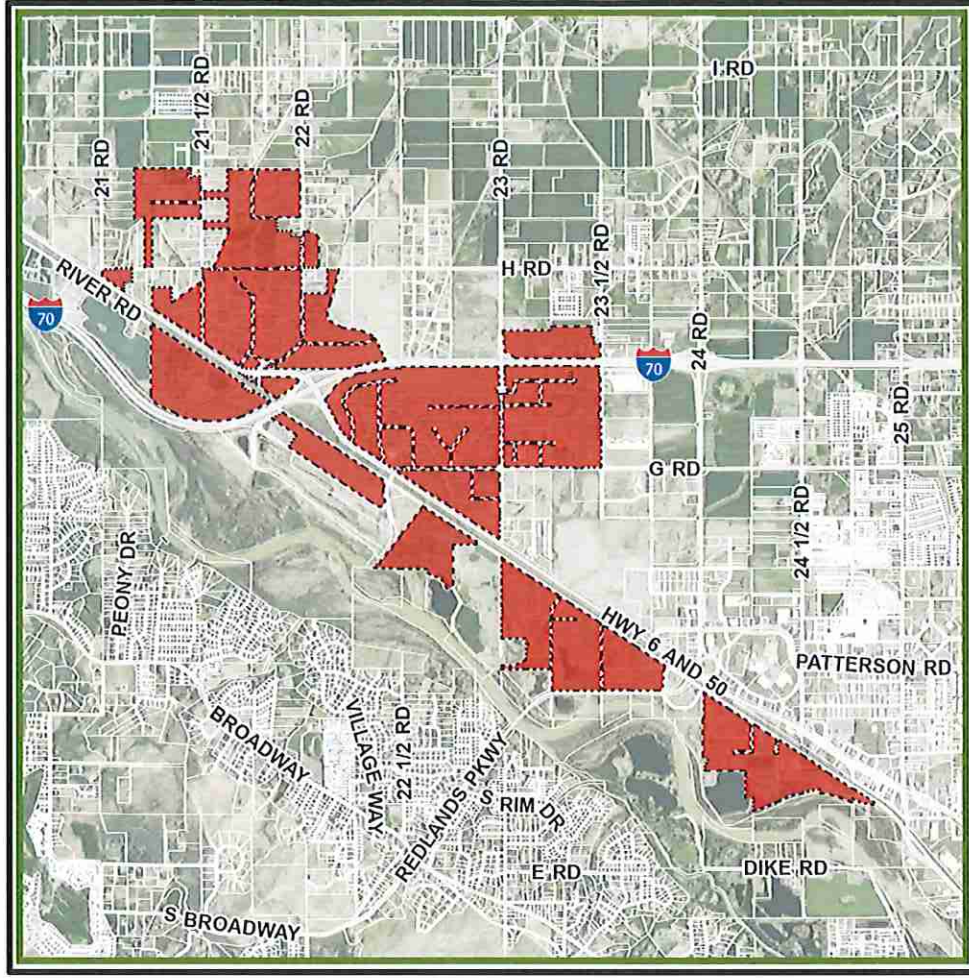


Figure 2 - Cannabis Manufacturer Overlay, Northwest Area

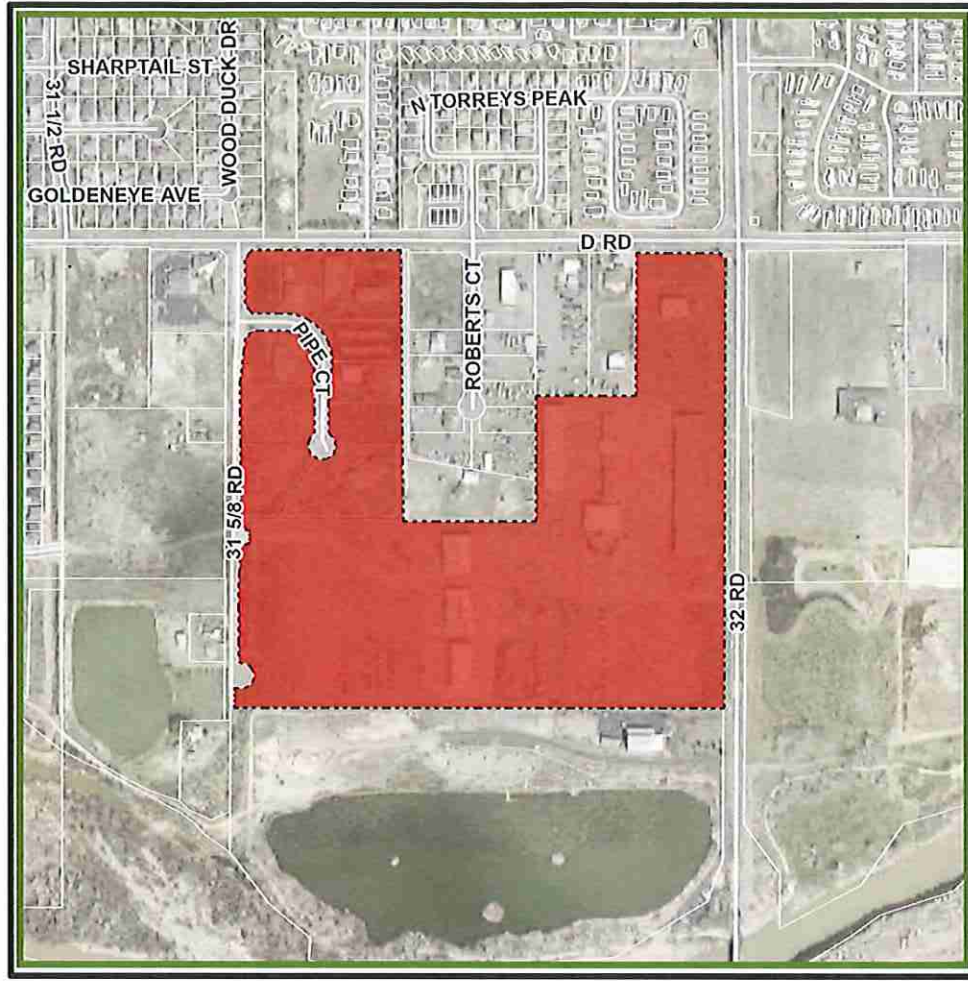


Figure 3 - Cannabis Manufacturer Overlay, Pear Park Area

(iii) Cannabis Manufacturers shall only be located in standalone buildings.

21.10.020 Terms defined.

Cannabis manufacturer shall mean a business licensed as a Product Manufacturer to purchase cannabis; manufacture, prepare, and package cannabis products; and wholesale cannabis and cannabis products to other licensed cannabis businesses for wholesale. Extraction of cannabis is permitted in this use category.

Cannabis Manufacturing Business is a Cannabis Manufacturer or a Post-Extraction Cannabis Processor.

Extraction shall mean the process of separating and concentrating desired constituents from plant material via solvent or mechanical based methodologies. This includes, but is

not limited to, hydrocarbon, CO2, alcohol/ethanol, agitation, heat and pressure, ice water, bee-assisted, and conversion methods.

Post-extraction cannabis processor shall mean a business licensed as a Product Manufacturer that utilizes cannabis previously extracted and/or manufactured off-site to infuse into products, prepare, and package products intended for wholesale. No on-site extraction is permitted in this use category.

All other provisions of Title 21 Chapter 4 and Chapter 10 shall remain in full force and effect.

Introduced on first reading the 5th day of April 2023 and ordered published in pamphlet form.

Adopted on second reading this 3rd day of May 2023 and ordered published in pamphlet form.

ATTEST:



Amy Phillips
City Clerk



President of City Council

I HEREBY CERTIFY THAT the foregoing Ordinance, being Ordinance No. 5145 was introduced by the City Council of the City of Grand Junction, Colorado at a regular meeting of said body held on the 5th day of April 2023 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 3rd day of May 2023, at which Ordinance No. 5145 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 5th day of May 2023.



Deputy City Clerk

Published: April 07, 2023
Published: May 05, 2023
Effective: June 04, 2023

