

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

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

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

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

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

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

74 City staff and community members, including the Cannabis Working Group, have
75 researched, reviewed, and discussed various approaches to taxation, permitting and
76 regulation of cannabis. Regulations for cannabis uses have been established at the state
77 level with the adoption and implementation of the Colorado Marijuana Code (C.R.S. 44-

78 10-101, *et. seq.*); however, regulation of cannabis uses at the state level alone are not
79 adequate to address the impacts of cannabis on the City.

80 In the interest of the public health, safety and welfare the City intends to regulate the
81 location zoning and other aspects impacts of cannabis businesses in a manner that is
82 consistent with constitutional and statutory standards. Limiting the concentration of any
83 type of business in specific areas will tend to promote high-quality neighborhoods. The
84 City desires to facilitate the provision of quality, regulated cannabis in a safe manner while
85 protecting existing uses within the City. Regulation of the manner of operation and
86 location of regulated cannabis businesses will further the health, safety, and welfare of
87 both the public and the customers. Protection of the public health and safety will occur
88 through reasonable limitations on business operations as they relate to air quality,
89 integrating business operations with neighborhoods, integrations, minimum security
90 standards for the businesses and their its personnel, and other concerns. Limiting the
91 concentration of any type of business in specific areas will promote high-quality
92 neighborhoods. Sale of cannabis may impact health, safety, and community resources,
93 and the proposed ordinance is intended to allow certain regulated cannabis businesses
94 such that those businesses will have as minimal an impact and reduce potential negative
95 impacts as reasonably is possible.

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

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

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

105 1,000 feet from any private or public elementary school, middle school, junior high
106 school, high school, Colorado Mesa University and Western Colorado Community
107 College; and

108 500 feet from all public parks or undeveloped park lands as provided by the Parks,
109 Recreation and Open Space Master Plan; and

110 500 feet from any services for prevention, treatment or recovery from substance
111 use and mental health concerns, as licensed by the Colorado Department of
112 Human Services, Office of Behavioral Health (OBH).

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

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

117

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

120

5.13.00 REGULATED CANNABIS

121 5.13.010 Purpose and legislative intent; incorporation of state law.

122

123 On January 20, 2021, the City Council approved Resolution 09-21, the adoption of
124 which referred a ballot question to the regular municipal election on April 6, 2021,
125 to repeal Referred Measure A contingent on and subject to voter approval of
126 taxation of cannabis businesses. The voters approved the April 2021 ballot
127 measures and by and with such authority, City Council intends to regulate the use,
128 possession, ~~cultivation, production~~, and distribution of cannabis in a manner that
129 is consistent with Article XVIII, Sections 14 and 16 of the Colorado Constitution
130 ~~(also known as Amendment 64)~~ and the Colorado Marijuana Code, C.R.S. § 44-10-
131 101, *et seq.* With the adoption of this Chapter, any provisions of the City's Code
132 that conflicts with this Chapter shall be superseded.

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

140

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

151

152 This Chapter is adopted pursuant to the constitutional and statutory authority
153 referenced above as well as the City's Charter and home rule authority to adopt
154 and enforce ordinances under its police powers s all in order to preserve the public

155 health, safety and general welfare. By adopting this Chapter, the City intend~~st~~ **is** to
156 implement provisions of the Colorado Marijuana Code and any rules and
157 regulations thereunder except to the extent that more restrictive or additional
158 regulations may be set forth in herein.

159
160
161
162 Further, the purposes of this Chapter are to:

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

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186
187 This Chapter is to be construed to protect the interests of the public over the
188 interests of the regulated cannabis businesses. Operation of a regulated cannabis
189 business is a revocable privilege and not a right in the City. There is no property
190 right for any person and/or business to have a regulated cannabis license in the
191 City.

192
193 Nothing in this Chapter is intended to promote or condone the production,
194 distribution, or possession of cannabis in violation of any applicable law.

198 **5.13.011 Applicability.**

199
200 (a) This Chapter is known and may be cited as the “City of Grand Junction
201 Regulated Cannabis Code,” ~~or “Code.”~~ Reference to the City of Grand
202 Junction Regulated Cannabis Code, Code or Chapter and the applicable
203 section(s) thereof shall be sufficient when citing the provisions ~~of this~~ hereof
204 in any legal document, including but not limited to, summons, subpoena,
205 pleading, summons and compliant, and memorandum.
206

207 (b) This Chapter, together with all other titles and chapters of the Grand
208 Junction Municipal Code (hereinafter referred to as “GJMC”), shall govern
209 all applications submitted for licensing of any regulated cannabis business
210 in the City on and after the effective date.
211

212 **5.13.012 Applicability of state laws and other laws.**

213 (a) Except as otherwise specifically provided herein, this Chapter incorporates
214 and adopts the requirements and procedures set forth in the Colorado
215 Marijuana Code and the provisions of the Colorado Rules and Regulations
216 promulgated thereunder, as amended, relating to the definition of terms,
217 licensing, sales, **hours of sale**, records, inspection, unlawful acts, and all
218 other matters pertaining to regulated cannabis, as set out in full therein and
219 herein. In the event of any conflict between the provisions of this Chapter
220 and the provisions of the Colorado Marijuana Code or any other applicable
221 state or local law, the more restrictive provision shall control. Licensees
222 shall comply with and conduct their business in compliance with all
223 applicable state and local laws, rules and regulations, and the terms and
224 conditions of their license. Noncompliance with any applicable state or local
225 laws, rules or regulations shall be grounds for suspension, revocation or
226 non-renewal suspension of any license issued hereunder and/or imposition
227 of fine(s), and/or fine(s) in lieu of suspension, and other allowable sanctions.
228

Commented [JS1]: Local option See 5.13.036b

229 (b) Compliance with any applicable state law or regulation shall be deemed
230 additional requirements for issuance of any license and conduct of any
231 business under this Chapter, and noncompliance with any applicable law or
232 regulation shall be grounds for suspension, revocation or non-renewal
233 suspension of any license issued hereunder and/or imposition of fines and
234 other allowable sanctions.
235

236 (c) If the state prohibits the sale or other distribution of cannabis through
237 regulated businesses, any license issued hereunder shall be deemed
238 immediately revoked by operation of law.
239
240

241 **5.13.013 Definitions.**

242
243 **The definitions set forth in Article XVIII, Subsections 14(2) and 16(2) of the Colorado**
244 **Constitution, as well as the definitions provided by the Colorado Marijuana Code,**
245 **the Colorado Code of Regulations, and the Department of Revenue Regulated**
246 **Marijuana Enforcement Division Rules and regulations as amended, are adopted**
247 **herein unless by reference specifically amended hereby.**

248
249 **“Advertise” means the act of drawing the public’s attention, whether in print, signs,**
250 **or electronic means, to a regulated cannabis business in order to promote the sale**
251 **of cannabis by the business.**

252
253 **“Affiliated entity” or “affiliate” means a person as defined herein, having ownership**
254 **or any level of control in common with an entity, in whole or in part, including**
255 **without limitation, an entity’s parent corporation, franchisor, licensor and any**
256 **subsidiary(ies) or affiliates or such corporation(s). Affiliate also means a person**
257 **using the same trade name as another person.**

258
259 **“Appealing to minors” means any display on the internet, by audio, in print on a**
260 **sign, or similar presentation visible to individuals under 21 years of age that**
261 **contains visual, or audio or print depictions of cartoon characters, caricatures,**
262 **consumable products, individuals that seem under 21 years of age or engaging in**
263 **activities not typical of adults. Visual, audio or print depictions of animals may be**
264 **allowed so long as they do not violate other restrictions in the GJMC.**

265
266 **“Application fee” shall mean the fee paid to the City by each Applicant at the time**
267 **of submitting an application to the City.**

268
269 **“Applicant” shall mean any person or entity who has applied for a license or**
270 **renewal of a license issued pursuant to this Chapter. If the Applicant is an entity**
271 **and not a natural person, Applicant shall include all persons who are the members,**
272 **managers, officers, directors, and shareholders of such entity.**

273
274 **“Cannabis”, also known as marijuana, shall have the same meaning as the term**
275 **“usable form of marijuana” as set forth in Article XVIII, Section 16(2)(f) of the**
276 **Colorado Constitution or as may be more fully defined in any applicable State law**
277 **or regulation. “Marijuana” may alternatively be spelled “marihuana”.**

278
279 **“Cannabis business” shall means regulated cannabis business as defined in this**
280 **Chapter.**

281
282 **“Cannabis operator” means a medical cannabis business operator or a retail**
283 **cannabis business operator.**

284
285 **“Cannabis paraphernalia” or “paraphernalia” shall mean devices, contrivances,**
286 **instruments and paraphernalia for inhaling or otherwise consuming regulated**
287 **cannabis, including, but not limited to, rolling papers, related tools, water pipes**
288 **and vaporizers.**

289
290 **“Cannabis product” means “medical cannabis product” or “~~regulated~~ retail**
291 **cannabis product”.**

292
293 **“Cannabis product manufacturer” means a medical cannabis products**
294 **manufacturer or a retail cannabis products manufacturer.**

295
296 **“Cannabis testing facility” means a medical cannabis testing facility or a retail**
297 **cannabis testing facility.**

298
299 **“City Attorney” means the City Attorney or the City Attorney’s designee.**

300
301 **“City Manager” means the City Manager or the City Manager’s designee.**

302
303 **~~“Colorado Medical Marijuana Code” shall mean Title 44, Article 11, C.R.S. and any~~**
304 **~~rules or regulations promulgated thereunder.~~**

305
306 **“Colorado Marijuana Code” shall mean Title 44, Article 10, C.R.S. and any rules or**
307 **regulations promulgated thereunder.**

308
309 **“Company material” means any information printed or transmitted electronically**
310 **that includes the name and logo of a particular cannabis business(es) and**
311 **promotes the business or describes cannabis or cannabis product distributed by**
312 **the business(es). Company material may include promotion of the business to**
313 **potential employees over the age of 21, or investors, or instructions for use of any**
314 **cannabis or cannabis products distributed by the business(es).**

315
316 **“Coupon” means a printed voucher or token entitling the holder to a discount for**
317 **a particular product or service. Coupon does not include showing a government-**
318 **issued verification of age or military status, or registration for a charitable event,**
319 **or similar item the showing of which, without providing a separate printing to the**
320 **business, entitles the holder to a discount for a particular product or service.**

321
322 **“Distribution” or “distribute” means the actual, constructive, or attempted transfer,**
323 **delivery, sale, or dispensing to another, with or without remuneration.**

324
325 **“Educational material” means materials prepared by a governmental or non-profit**
326 **entity that are designed to provide information, facts, instructions, and warnings**

327 related to the legal use or consumption of cannabis and cannabis products.
328 Educational materials do not include arguments for or against the legalization of
329 cannabis or encourage the use of cannabis or advertisements, including the name
330 and logo for any cannabis business.

331
332 “Entity” means a domestic or foreign corporation, cooperative, general
333 partnership, limited liability partnership, limited liability company, limited
334 partnership, limited liability limited partnership, limited partnership association,
335 nonprofit association, nonprofit corporation or any other organization or
336 association that if formed under a statute or common law of the state of Colorado
337 or any other jurisdiction as to which the laws of Colorado or the laws of any other
338 jurisdiction govern(s) relations among owners and between the owners and the
339 organization or association and that is recognized under the laws of the state of
340 Colorado or the other jurisdiction as a separate legal entity.

341
342 “~~Operating f~~ees” means that fee(s) set and established by Resolution of City
343 Council and paid annually to the City by each Licensee. ~~Operating~~ fees may be
344 charged by the City for costs including but not limited to licensing, inspection,
345 administration, and enforcement of cannabis businesses authorized pursuant to
346 the Colorado Constitution, the Colorado Marijuana Code, this Code, and any of the
347 rules and regulations adopted pursuant thereto.

348
349 “~~Fermented malt beverage~~” shall mean the same as referenced in Chapter 5.04.010
350 of the GJMC.

351
352 “Financier” means any person who lends money or otherwise provides assets to
353 any person applying for license under this Chapter. If a financier is an entity rather
354 than an individual, the same disclosure shall be required for each entity with an
355 ownership interest until a managing member that is a natural person is identified.
356 Financier shall not include a bank, savings and loan association, credit union, or
357 industrial bank supervised and regulated by an agency of the state or federal
358 government, or any person in the business of leasing equipment or cannabis
359 business for which the rental amount does not include any percentage of the
360 business or its profits, or any person that has been qualified as a beneficial owner
361 (as defined by the Colorado Marijuana Code).

362
363 “Financial interest” shall mean any ownership interest(s).

364
365 “Good cause”, for the purposes of approving, refusing or denying the issuance or
366 renewal of a license, means:

- 367
368 a. The Licensee or Applicant has violated, does not meet, or has failed
369 to comply with any terms, conditions, or provisions of the Colorado

370 Marijuana Code, the City Code, any rule and regulation adopted
371 pursuant thereto, or any supplemental relevant state or local law, rule
372 or regulation related to the cultivation, processing, manufacture,
373 storage, sale, distribution, transportation, ~~testing,~~ and research, or
374 consumption of any form of cannabis;

375
376 b. The Licensee or Applicant has failed to comply with any special term
377 or condition placed on the license by order of the state licensing
378 authority or the Local Licensing Authority;

379
380 c. Evidence ~~of~~ the Licensee's licensed premises has been operated
381 in a manner that adversely affects the public health, safety or the
382 general welfare of the City or the immediate neighborhood where the
383 business is located, which evidence may include a continuing pattern
384 of violations of the Colorado Marijuana Code, the City's Code, or terms
385 and conditions of a license issued pursuant to this Chapter, a
386 continuing pattern of unlawful or violent activity occurring in the
387 location and in association with the operation of the business; or

388
389 d. Evidence the Applicant or Licensee, or any officer, director, owner,
390 manager, agent or employee of the Applicant or Licensee is not of
391 good moral character.

392
393 "Good moral character" means an individual who has a personal history
394 demonstrating honesty, fairness, and respect for the rights of other and for
395 conformance to the law which may include considerations of whether an individual
396 has:

397
398 a. Ever had a professional or occupation license denied, suspended, or
399 revoked;

400
401 b. Ever had a business or sales tax license denied, suspended, or
402 revoked;

403
404 c. Ever surrendered, been denied, or had any type of cannabis related
405 license or permit placed on an administrative hold, suspended or
406 revoked;

407
408 d. Ever been denied any type of cannabis related business license;

409
410 e. Ever had a business temporarily or permanently closed for failure to
411 comply with any tax, health, building, fire, zoning or safety law;

412

Commented [JS2]: Citation was requested – see, CCR 1-115

- 413 f. Ever had any administrative, civil or criminal finding of delinquency
414 for failure to file or failure to pay state or local sales or use taxes or
415 any other taxes;
416
- 417 g. Ever been convicted of or pled guilty or no contest to a crime of moral
418 turpitude; or
419
- 420 h. Within the previous five years been convicted of any misdemeanor,
421 petty offense or any local ordinance violation related to the cultivation,
422 processing, manufacture, storage, sale, distribution, transportation,
423 testing, research, or consumption of any form of cannabis, drug or
424 controlled substance; or within the previous five years been convicted
425 of a non-drug related felony; or, at any time, been convicted of a felony
426 related to the cultivation, processing, manufacture, storage, sale,
427 distribution, transportation, testing, research, or consumption of any
428 form of cannabis, drug or controlled substance.
429

430 “Handbill”, “leaflet” or “flyer” means a flat or folded sheet of printed material that
431 is a notice, advertisement, or announcement, usually for distribution by hand, for
432 free, either directly to an individual or by placement on vehicles or other locations.
433 Handbill, leaflet, or flyer does not include educational materials without the name
434 or logo of a cannabis business, or information made available within the licensed
435 premises of a cannabis business.
436

437 ~~“Immature plant” means a nonflowering cannabis plant that is not required by the~~
438 ~~Colorado Marijuana Enforcement Division to have a RFID tag. In no event shall a~~
439 ~~plant be considered an immature plant if it is no taller than eight inches and no~~
440 ~~wider than eight inches; is produced from a cutting, clipping, or seedling; and is in~~
441 ~~a cultivating container.~~

Commented [LB3]: See 44-10-103(18)

442

443 ~~“In-charge employee” means the individual designated by the owner of the~~
444 ~~cannabis business as the person responsible for all operations of the business in~~
445 ~~the absence of the owner from the licensed premises. In-charge employees shall~~
446 ~~have access to lock and unlock doors, lock and unlock safes, arm and disarm the~~
447 ~~alarm, have access to the video surveillance equipment and who can operate and~~
448 ~~access past footage and produce still color photographs from the on-site, as well~~
449 ~~as the off-site video surveillance equipment upon request.~~

450

451 “Incidental to sponsorship of charitable events” means the printing of the names
452 of all sponsors of a particular charitable event by the event organizer on
453 advertisements, banners, clothing, programs, or similar items. Incidental to
454 sponsorship of charitable events does not include the placement of a booth(s) or

455 distribution of material(s) that does not list or is for the use of all sponsors of the
456 event.

457
458 “License” shall mean to grant a revocable privilege to lawfully operate in the City
459 a cannabis related business activity authorized pursuant to the Colorado Marijuana
460 Code and this Chapter.

461
462 “License fee” shall mean that fee set and established by Resolution of City Council
463 and paid annually to the City by each Licensee.

464
465 “Licensed premises” means the premises specified in an application for a license
466 or permit authorized pursuant to the Colorado Marijuana Code and this Chapter,
467 which are owned or in the legal possession of the Licensee and within which the
468 Licensee is authorized to cultivate, manufacture, distribute, research, sell, store,
469 transport, or test cannabis, cannabis products, and cannabis concentrates in
470 accordance with all applicable laws.

471
472 “Licensee” means any person licensed or granted a permit pursuant to the
473 Colorado Marijuana Code or this Chapter, including the cannabis business named
474 on the cannabis business license and all individuals named in the cannabis
475 business license application or later reported to the City, including without
476 limitation, owners, managers, financiers, and individuals owning any part of the
477 entity that holds a financial or ownership interest in the cannabis business.

478
479 ~~“Liquid assets” mean assets that can be readily converted into cash and includes~~
480 ~~assets that will be placed directly into the cannabis business. Liquid assets~~
481 ~~include, but are not limited to, the following: funds in checking or savings~~
482 ~~accounts, certificates of deposit, money market accounts, mutual fund shares,~~
483 ~~publicly traded stocks, United States savings bonds, furniture and equipment,~~
484 ~~packaged cannabis, and related products and inventory to be transferred to the~~
485 ~~cannabis business. Liquid assets do not mean household items, vehicles,~~
486 ~~cannabis plants, and real property and improvements thereto.~~

Commented [JS4]: Removed because it was a holdover from merit and is no longer necessary.

487
488 “Local Licensing Authority” also known as “Cannabis Licensing Authority”
489 (“Authority”) means an authority designated by the City Council.

490
491 ~~“Mall” means Mesa Mall located at 2424 US Highway 6, Grand Junction, CO 81505.~~

492 ~~“Malt, vinous, and spiritous liquor” has the same meaning as defined in the~~
493 ~~Colorado Liquor Code (Title 44, Article 3, C.R.S.) or in the Colorado Beer Code (Title~~
494 ~~44, Article 3, C.R.S.)~~

495 “Manager” means:

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

511 "Minor" means a person under 21 years of age.

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

519 ~~"Operating fees" means that fee(s) set and established by Resolution of City
520 Council and paid annually to the City by each Licensee. Operating fees may be
521 charged by the City for costs including but not limited to inspection,
522 administration, and enforcement of cannabis businesses authorized pursuant to
523 the Colorado Constitution, the Colorado Marijuana Code, this Code, and any of the
524 rules and regulations adopted pursuant thereto.~~

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

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

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

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

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

551 ~~“Primary home” means that home or place in which a person’s habitation is fixed~~
552 ~~and to which the person, whenever absent, has the present intention of returning~~
553 ~~after a departure or absence therefrom, regardless of the duration of such~~
554 ~~absence. A “primary home” is a permanent building or part of a permanent~~
555 ~~building and may include, by way of example, a house, condominium, apartment,~~
556 ~~room in a house or manufactured housing. No rental property, a vacant house or~~
557 ~~cabin or other premises used solely for business purposes shall be considered a~~
558 ~~primary home.~~

Commented [JS5]: Removed because it was a holdover from merit and is no longer necessary.

560 ~~“Rehabilitation center” means any facility(ies) or transitional residential treatment~~
561 ~~facility(ies) operating after the effective date of this Chapter for prevention,~~
562 ~~treatment or recovery from substances and mental health concerns as licensed by~~
563 ~~the Colorado Department of Human Services, Office of Behavioral Health (OBH),~~
564 ~~licensed by the Colorado Department of Human Services.~~

565 ~~“Restricted area” means the portion of a cannabis business within which the~~
566 ~~“Licensee” defines on its application it intends to distribute, possess, or produce~~
567 ~~regulated cannabis and which area is clearly identified as the restricted area on the~~
568 ~~floor plan submitted with the cannabis business license application for the~~
569 ~~business.~~

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

571 ~~any Medical Marijuana Business and Retail Marijuana Business as defined by~~
572 ~~Colorado law. person that produces, distributes, possesses, tests or makes~~
573 ~~available more than six cannabis plants or one ounce of cannabis; any person~~
574 ~~that sells any amount of cannabis; or~~

575 ~~any person who possesses cannabis openly or publicly.~~

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

578 (a) six plants in an enclosed, locked space, or

579 (b) one ounce of cannabis; or

580 (c) the cannabis derived from no more than six plants on the premises where
581 the plants were grown if the plants were grown in an enclosed, locked space.

582 “Regulated cannabis plant” means a cannabis seed that is germinated and all
583 parts of the growth therefrom, including, without limitation, roots, stalks, and
584 leaves. Cannabis plant shall include immature plants except where specifically
585 exempted in this Code. For purposes of this Chapter, the portion of regulated
586 cannabis plant harvested from the plant or converted to a usable form of regulated
587 cannabis for medical use is not considered part of the plant upon harvesting.

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

593 “Safe” means a metal box, attached to the building structure, capable of (a) being
594 locked securely by either a mechanical or electronic combination lock that is
595 protected by a case hardened drill resistant steel plate or drill resistant material of
596 equivalent strength; (b) having door hinges that prevent the removal of the door,
597 including but not limited to hinges that are not exposed to the outside, interlocking
598 door designs, dead bars, jeweler’s lugs and an active or inactive locking bolts; (c)
599 being constructed in a manner to prevent opening by human or mechanical force,
600 or through the use of common tools, including but not limited to hammers, bolt
601 cutters, crow bars or pry bars; and (d) being certified by the manufacturer to be
602 adequate for securely storing the quantity of monetary funds and physical
603 cannabis product of the cannabis business. the Grand Junction Police Department
604 may approve security devices such as vaults and strong rooms that are
605 functionality equivalent to safes.

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

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611

612 **5.13.014 License Required.**

613

614 **(a) It shall be unlawful for any person to engage in any form of business or**
615 **commerce or activity involving cultivation, processing, manufacturing,**
616 **storage, sale, distribution, transportation, testing, research or consumption**
617 **of any form of cannabis or cannabis products other than those forms of**
618 **business and commerce activities that are expressly contemplated by**
619 **Sections 14 and 16 of Article XVIII of the Colorado Constitution, Colorado**
620 **Marijuana Code, this Code, or other applicable provisions of the GJMC.**

621

622 **(b) It shall be unlawful for any person to operate a regulated cannabis business**
623 **in the City without a license to operate issued pursuant to the requirements**
624 **of this Chapter while concurrently holding a license in good standing from**
625 **the state and in compliance with any and all applicable laws.**

626

627 **(c) No regulated cannabis business shall operate without obtaining any other**
628 **license(s) or permit(s) required by any federal, state, or local law, by way of**
629 **example, a regulated sales and use tax license, a retail food business**
630 **license, or any applicable zoning or building permit. No two or more different**
631 **regulated cannabis businesses may be treated as one premise unless**
632 **approved as co-located businesses. Retail and medical cannabis may be**
633 **co-located; however, if not co-located medical licenses will not be separately**
634 **considered in accounting for the 10 (ten) license cap.**

635

636 **(d) The license(s) required to lawfully conduct business must be in full force**
637 **and effect, all applicable fees and taxes have been paid in full, and all**
638 **conditions of the license application be satisfied in order to conduct**
639 **business. Each and every license applies to the person/entity named**
640 **thereon and the activity(ies) authorized by the license and the location where**
641 **the sale and/or possession occurs. Failure to maintain a current, valid**
642 **license shall constitute a violation of this Chapter.**

643

644 **(e) It shall be unlawful for any person to exercise any of the privileges granted**
645 **by a License other than the person(s) issued the License.**

646 (f) It shall be unlawful for any person(s) granted a license to allow any other
647 person to exercise any privilege granted under the License.

648 (g) It shall be unlawful for any person to operate any cannabis business in the
649 City without a License issued by the City and the State licensing authorities
650 pursuant to the Colorado Marijuana Code, this Chapter and other applicable
651 provisions of the GJMC and applicable law.

652 (h) The issuance of a City license pursuant to this Chapter does not create an
653 exception, defense, or immunity to any person in regard to any potential
654 criminal liability the person may have for the production, distribution,
655 storage, transportation or possession of cannabis.
656

657 (i) All persons who are engaged in or who are attempting to engage in the
658 distribution, and/or sale of regulated cannabis in any form shall do so only
659 in strict compliance with the terms, conditions, limitations, and restrictions
660 in Section 14 and 16 of Article XVIII of the Colorado Constitution, state law,
661 the Colorado Marijuana Rules, the GJMC , and all other laws, rules, and
662 regulations.
663

664 **5.13.015 Licensing Authority (Cannabis Licensing Authority).**
665

666 For the purpose of regulating and controlling the licensing and the sale of
667 regulated cannabis in the City, there is hereby created a local licensing authority
668 appointed by the City Council, hereafter referred to as Authority. The Authority
669 shall act in conjunction with the City's Liquor and Beer Licensing Authority,
670 and shall serve the purpose of regulating and controlling the licensing of
671 cannabis businesses in the City.
672

673 (a) Structure of Authority.
674

675 1. Hearing Officer. A Hearing Officer for the Authority shall be appointed by,
676 and serve at the pleasure of, the City Council. Alternate hearing officer(s)
677 may be appointed to serve if the Hearing Officer is absent and/or a conflict
678 exists for which the Hearing Officer must be recused. ~~from presiding over.~~
679

680 i. The Hearing Officer shall be a resident of the City and have an
681 active license to practice law in the State of Colorado.
682

683 i.ii. Duties of the Hearing Officer. The Hearing Officer shall:
684

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

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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.

6. Grant or deny motions, make findings and orders, administer oaths and issue subpoenas to require the presence of persons and the production of papers, books and records at any hearing which the Authority is authorized to conduct.

iii. The Hearing Officer may be removed by the City Council for nonattendance to duty or for cause. If the Hearing Officer fails to attend three (3) consecutive meetings of the Authority, he/she shall be removed from the Hearing Officer position unless the City Council excuses any such absences.

2. The City Manager shall serve as the secretary of the Authority and shall provide or cause to be provided the necessary administrative and reporting services for the Authority. The City Manager shall accept and process applications, schedule hearings for the Authority, provide public notice for the hearings, prepare the hearing room, be present at all hearings, ensure the hearings are recorded, take meeting minutes and any other duties as necessary. The City Manager shall be present at all hearings.

730 3. The City Attorney shall serve as legal advisor for the Authority and shall be
731 present at all hearings providing legal assistance to the Hearing Officer and the
732 City Manager.
733

734 (b) Powers of the Authority.
735

736 i. The Authority shall have and is vested with authority to grant or
737 to refuse a license application or renewal ~~_, as well.~~ The
738 Authority may order special terms and conditions on licenses
739 in the event of an emergency or as temporarily required to
740 protect the public health, safety and wellbeing without the need
741 for a public hearing. Notice of such action and for a public
742 hearing before the Authority on the matter shall be provided to
743 the Licensee.

744 ~~ii.~~
745 iii.-ii. The Authority shall have all the powers provided in this Chapter,
746 and as set forth in C.R.S. 44-10-301 *et. seq.* and the Colorado
747 Marijuana Rules, and the regulations promulgated thereunder.

748 iii. The Authority may promulgate such rules and regulations as
749 it deems necessary for the proper administration and
750 enforcement of this Chapter, provided that the same are not in
751 conflict with the Colorado Marijuana Code, Colorado
752 Constitution, and the Colorado Department of Revenue
753 Enforcement Rules.
754

755 iv. The Authority may exercise all other powers and duties as are set
756 forth in the Colorado Marijuana Code, the Colorado Constitution,
757 the Colorado Department of Revenue Marijuana Enforcement
758 Division Rules, the GJMC and any rule or regulation adopted
759 pursuant thereto.
760

761 v. Under any and all circumstances in which ~~Colorado state~~ law
762 requires communication to the City by the ~~Sstate~~ licensing
763 authority or any other ~~Sstate~~ agency in regard to any license
764 authorized by this Chapter, or in which ~~Sstate~~ law requires any
765 review or approval by the City of any action taken by the ~~Sstate~~
766 licensing authority, the exclusive ~~government~~ department in the
767 City for receiving such communications and granting such
768 approvals shall be the Authority.
769

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

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

796
797 ~~A Hearing Officer for the Authority shall be appointed by and serve at the~~
798 ~~pleasure of the City Council.~~
799

800 ~~(b)(d) The Hearing Officer may be removed by the City Council for~~
801 ~~nonattendance to duty or for cause. If the Hearing Officer fails to attend three~~
802 ~~(3) consecutive meetings of the Authority, he/she shall be removed from the~~
803 ~~Hearing Officer position unless the City Council excuses any such absences.~~
804

805 ~~(c)(e) Duties of the Hearing Officer. The Hearing Officer shall:~~

806
807 ~~7. Conduct all hearings required under this Chapter, rules~~
808 ~~and regulations, and codes construing and implementing~~
809 ~~the same.~~
810

811 ~~8. Conduct all hearings for initial licenses, renewal of~~
812 ~~licenses, for proposed changes of ownership of licenses~~
813 ~~and changes of the corporate structure of license, and for~~

814 ~~proposed changes of location of licensed premises or~~
815 ~~modification of premises.~~

816
817 ~~9. Conduct all hearings brought under such codes when~~
818 ~~violations of the codes or the regulations under the codes~~
819 ~~have been alleged to have occurred and to impose~~
820 ~~penalties against Licensees in the manner provided by~~
821 ~~this Chapter on its own motion or on complaint by the~~
822 ~~City Attorney for any violation by the Licensee after~~
823 ~~investigation and public hearing at which the Licensee~~
824 ~~shall be afforded an opportunity to be heard.~~

825
826 ~~10. Promulgate rules and regulations concerning the~~
827 ~~procedures for hearings before the Authority.~~

828
829 ~~11. Require any Applicant or Licensee to furnish any relevant~~
830 ~~information required by the Authority.~~

831
832 ~~12. Grant or deny motions, make findings and orders,~~
833 ~~administer oaths and issue subpoenas to require the~~
834 ~~presence of persons and the production of papers, books~~
835 ~~and records at any hearing which the Authority is~~
836 ~~authorized to conduct.~~

837
838 (e) Authority Hearing procedures.

839
840 1. Hearings shall be scheduled as determined by the Authority and
841 generally with the same frequency as on the same calendar the Liquor and
842 Beer Licensing Authority or at special meetings as scheduled by the
843 Authority.

844 2. The Hearing Officer may establish such procedures and local rules to be
845 followed in actions before her/him. Such procedures shall include the
846 following:

847
848 i. Control the mode, manner and order of all proceedings and
849 hearings.

850
851 ii. The adoption of rules, procedures, and policies for its own proceedings
852 and for filing applications and requests.

853
854 iii. The adoption of application forms and submission requirements,
855 including a requirement that applications, complaints and other
856 documents be filed in a digital format approved by the Authority and

857 to refuse applications, complaints and other documents not filed in
858 the approved digital format.

859
860 **iv.** To perform any act that the Authority is authorized to perform by law.

861
862 **v.** To promulgate such rules and regulations deemed necessary to
863 properly administer and enforce this Chapter, and to exercise all other
864 powers and duties as set forth in this Chapter, as well as those set forth
865 in the Colorado Marijuana Code and Subsection 5(f) of Section 16 of
866 Article XVIII of the Colorado Constitution. The Authority shall provide all
867 proposed rules and subsequent changes thereto, to City Council for
868 approval by Resolution.

869
870 **vi.** Powers in the conduct of hearings. The Hearing Officer shall conduct
871 hearings under and in accordance with this Chapter, local rules and
872 procedures, and the Colorado Marijuana Code.

873
874 **vii.** Contempt. In the event that any person, in the immediate presence of the
875 Authority or within its sight or hearing, while the Authority is in session
876 during a hearing, commits a direct contempt of the Authority by speech,
877 gesture or conduct which disobeys a lawful order of the Authority, shows
878 gross disrespect to the Authority tending to bring the Authority into public
879 ridicule, or substantially interferes with the Authority's proceedings, the
880 Authority may hold such person in contempt. Contemptuous conduct by any
881 principal, registered manager or employee shall be imputed to the Licensee.
882 The Authority may impose the following sanctions for contempt:

- 883
884 1. Removal of the person committing the contempt from the
885 proceedings, the hearing room and its environs;
- 886
887 2. Public censure, which shall be made a matter of the
888 Licensee's record and may be used as an aggravating factor
889 in determining any fine, suspension, revocation or renewal;
- 890
891 3. A prohibition against the individual or the Licensee
892 introducing into the record testimony, documents, exhibits
893 or other evidence;
- 894
895 4. An order striking, disregarding and refusing to consider
896 pleadings, applications, documents, objections, testimony,
897 exhibits or other evidence or arguments already introduced
898 by such person;
- 899

- 900 5. A fine, enforced by suspension of the License until the fine
901 is paid;
902
- 903 6. Default of any motion, compliant or other action then
904 pending against the Licensee; and/or
905
- 906 7. Denial of any application by the Licensee then pending
907 before the Authority.
908

909 viii. Determinations with respect to hearings.

910

911 1. The Hearing Officer shall make his/her determination after
912 hearings in accordance with this Code, the Colorado
913 Marijuana Code and established legal principles. The
914 decision of the Hearing Officer shall be final, and appeal from
915 that decision shall be to the District Court of the 21st Judicial
916 District.
917

918 2. Actions taken by the Authority are subject to review by the
919 courts pursuant to Rule 106(a)(4) of the Colorado Rules of
920 Civil Procedure. Any person applying to the Court for review
921 shall be required to pay the cost of preparing a transcript of
922 proceedings before the Authority whenever such a transcript
923 is necessary for purposes of an appeal.
924

925 3. Appeals of Hearing Officer Decision(s). If the Authority imposes a condition on
926 the license and/or suspends or revokes a license or imposes a fine, the Licensee
927 may appeal the Authority's order to the Mesa County District Court of the 21st
928 Judicial District pursuant to Rule 106(a)(4) of the Colorado Rules of Civil
929 Procedure. The Licensee's failure to timely appeal any the decision/order of the
930 Authority is a waiver of the Licensee's right to contest the decision/order. fine
931 imposed or the suspension or revocation of the License. Any person applying to
932 the court for review shall be required to pay the cost of preparing a transcript of
933 proceedings before the Authority whenever such a transcript is necessary for the
934 purposes of the appeal.
935

936 5.13.016 City Manager; Powers and Duties – Licensing.

937

938 (a) The City Manager shall serve as the secretary of the Authority and shall
939 provide or cause to be provided the necessary administrative and reporting
940 services for the Authority. The City Manager and City Attorney shall attend
941 all meetings of the Authority. All public notices required by this Chapter and

942 by C.R.S. 44-10-101, et seq., and the Colorado Marijuana Rules, as amended,
943 and the regulations promulgated thereunder, shall be accomplished by the
944 City Manager.

945
946 ~~(b) The City Manager shall receive all applications for licenses and permits and,~~
947 ~~upon receipt of full payment of fees as are required by state law and by this~~
948 ~~Chapter, and satisfaction of the preconditions of the licensure, shall issue~~
949 ~~all licenses.~~

950
951
952 **5.13.0167 Application process/requirements.**

953 (a) Applications. All applications for any license authorized by this Chapter
954 shall be submitted to the City Manager upon forms provided by the
955 Authority and shall include supplemental materials as required by this
956 Chapter, the Colorado Marijuana Code, and any rules and regulations
957 adopted pursuant thereto. To the extent any of the foregoing materials
958 have been included with the Applicant's state license application and
959 forwarded to the City by the ~~S~~state, the Authority may rely upon the
960 information forwarded by Applicants without requiring resubmittal of the
961 same materials in conjunction with the local license application.

962 (b) The Authority may, at the Authority's discretion, require additional
963 information and/or documentation for the consideration of the
964 application as it may deem necessary to enforce the requirements of the
965 Colorado Marijuana Code and this Chapter.

966 (c) The general procedures and requirements of licenses, as more fully set
967 forth in Chapter 5.04 of the Grand Junction Municipal Code, shall apply
968 to regulated cannabis business licenses. To the extent of conflict
969 between the provisions of this Chapter and Chapter 5.04, the provisions
970 of this Chapter shall control for regulated cannabis licenses.

971 (d) Initial Application.

972 1. Complete Application. The City Manager shall receive all Applications
973 for a ~~L~~icense authorized by this Chapter. The City Manager will review
974 and, if demonstrated from the Application, find an Application to be
975 complete if the Applicant, on forms provided by the City, ~~provides: (a)~~
976 ~~materials provides materials~~ and information demonstrating that all
977 requirements for licensure can or will be met by the Applicant at the time
978 of licensure, ~~as~~ provided in this section and in section § 05.13.0245 of this
979 Code.

980 **2. No person or entity, to include an affiliate(s)/affiliated entity, shall apply**
981 **for more than one license for any location in the City, unless applying for**
982 **a co-located (medical and retail) licensure.**

983 **3. 5-The Applicant provides an application for only one license at one**
984 **location for each class of cannabis business license authorized by this**
985 **Chapter. A co-located medical and retail cannabis business location**
986 **shall be deemed one license. A location for a license shall be established**
987 **and determined by lawful street addressing. A unit(s) in a building that is**
988 **not separately, legally created and addressed is(are) not a separate**
989 **location(s). ~~located regulated and medical cannabis business.~~**

990 **4. The Applicant has registered with the Authority the name(s) of the**
991 **manager(s) of the cannabis business, and has provided to the Authority**
992 **the names of all persons having 10% financial and/or ownership interest,**
993 **in the cannabis business that is subject of the Application or, if the**
994 **Applicant is an Entity, having a financial interest in the Entity together**
995 **with the following:**

Commented [JS6]: Need to have discussion regarding 10%

996 **i. Name, address, date of birth;**

997
998 **ii. Acknowledgment and consent that the City may conduct a**
999 **background investigation, including a criminal history check,**
1000 **and the City will be entitled to full and complete disclosure of**
1001 **all financial records of the regulated cannabis business and of**
1002 **any or all financial interests thereof, including records of**
1003 **deposit, withdrawals, balances and loans;**

1004
1005 **iii. If the Applicant is an Entity, information regarding the Entity,**
1006 **including without limitation, the name and address of the Entity,**
1007 **its legal status, and proof of registration with, or a certificate of**
1008 **good standing from, the Colorado Secretary of State, as**
1009 **applicable;**

1010
1011 **iv. If the Applicant is not the owner of the proposed licensed**
1012 **premises, a notarized statement from the owner of such**
1013 **property authorizing the use of the property for a cannabis**
1014 **business and specifying the type of regulated cannabis**
1015 **business(es) permitted;**

1016
1017 **v. A copy of the deed reflecting the Applicant's ownership of, or**
1018 **the lease or contract reflecting the legal right of the Applicant**
1019 **to possess the proposed licensed premises for no less than**
1020 **three years;**

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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), Financer(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.

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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. in C.R.S. § 24-5-101(2); 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.

814. The Applicant must provides affirmation in writing that, the Applicant's principal officers, directors, members, or owners who now, or at any time in the past, have had 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;

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9. The Applicant must submit a Findings of Suitability application form.

10. The Applicant must provide written proof of a binding quote for insurance as provided by § 5.13.030 of this Chapter;

11. 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 and land use laws of the City, and any and all restrictions on location set forth in this Code. 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 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.

12. The Applicant must provide a written operating plan that includes, but is not limited to, the items in § 5.13.036.

13. 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. If drive thru cannabis service is contemplated, a description of security measures to prevent and address diversion of cannabis to youth and potential criminal behavior and is

1104 required a zoning/land use permit. The security plan includes specialized
1105 details of security arrangements and will be protected from disclosure as
1106 provided under the Colorado Open Records Act § 24-72-203(2)(a)(VIII),
1107 C.R.S. If the City finds that such documents are subject to inspection, it
1108 will provide notice to the Applicant as provided by the Colorado Open
1109 Records Act.

1110 14. The Applicant must provide a written plan for preventing underage
1111 persons from entering the premises.

1112 15. The Applicant must provide a written plan for disposal of any
1113 regulated cannabis that is not sold in a manner that protects any portion
1114 thereof from being possessed or ingested by any person or animal.

1115 16. The Applicant must provide a written plan for ventilation of the
1116 regulated cannabis business that describes the ventilation systems that
1117 will be used to prevent unreasonable odor of cannabis off the premises
1118 of the business;

1119 17. The Applicant must provide any supplemental materials required to
1120 be provided by the State in order to receive a State-issued cannabis
1121 business license pursuant to the Colorado Marijuana Code and rules
1122 adopted pursuant thereto.

1123 18. The Applicant must provide any supplemental materials to comply
1124 with City laws and any additional information that the Authority
1125 reasonably determines to be necessary in connection with the
1126 investigation and review of the Application.

1127
1128 ~~3. The Applicant shall provide a zoning and buffering verification from~~
1129 ~~Community Development Department Director that states the location~~
1130 ~~proposed for licensing complies with any and all zoning and land use~~
1131 ~~laws of the City, and any and all restrictions on location set forth in this~~
1132 ~~Code. If the Director makes a determination that the proposed license~~
1133 ~~location would be in violation of any zoning law or other restriction on~~
1134 ~~location set forth in the GJMC and/or any Administrative Regulation(s)~~
1135 ~~construing the same, then the Director shall, no later than 20 days from~~
1136 ~~the date the Applicant requested the zoning and buffering verification,~~
1137 ~~notify the Applicant in writing that the proposed license location cannot~~
1138 ~~be verified to be in compliance. As provided by the GJMC, the Applicant~~
1139 ~~may appeal the Directors decision.4.~~

1141 4.

1142 ~~The Applicant shall provide affirmation in writing that the Applicant,~~
1143 ~~the Licensee, the officers, directors, owners, agents, employees or any~~
1144 ~~person having a direct or indirect financial interest of 10% in the business~~
1145 ~~are of good moral character in accordance with the standards and~~
1146 ~~procedures set forth in the Colorado Marijuana Code, this Chapter and~~
1147 ~~the rules and regulations adopted pursuant thereto.~~

1148 ~~5. The Applicant provides an application for only one license at one~~
1149 ~~location for each class of cannabis business license authorized by this~~
1150 ~~Chapter. A co-located medical and retail cannabis business location~~
1151 ~~shall be deemed one license. A location for a license shall be established~~
1152 ~~and determined by lawful street addressing. A unit(s) in a building that is~~
1153 ~~not separately, legally created and addressed is(are) not a separate~~
1154 ~~location(s) located regulated and medical cannabis business.~~

1155 **196.** The Applicant shall provide affirmation in writing that it has and will
1156 satisfy and continuously meet, if a license is awarded, all the terms,
1157 conditions, provisions, and requirements imposed upon the Applicant or
1158 the Licensee by the applicable provisions of the Colorado Marijuana
1159 Code, the City's Code, and all the rules and regulations adopted pursuant
1160 thereto, and all applicable building, fire, health or zoning, codes,
1161 ordinances, rules or regulations adopted pursuant thereto related to the
1162 cultivation, processing, manufacture, storage, sale, distribution, testing,
1163 research, transporting, or consumption of any form of cannabis.

1164 **207.** The Applicant shall provide affirmation in writing the license
1165 application contains no fraudulent, misrepresented, or false statements
1166 of a material or relevant fact.

1167 **218.** The Applicant shall pay all applicable application and licensing fees.

1168 **229.** The Applicant provides affirmation in writing that it or the Licensee
1169 is not overdue on his/her/its payment of any taxes, fines, interest,
1170 penalties or collection costs assessed against or imposed upon such
1171 Applicant in any business matters, affairs or dealings of the Applicant in
1172 any state, county, municipality on which the Applicant conducts
1173 business.

1174 ~~2210. The Applicant provides affirmation in writing the Applicant officers,~~
1175 ~~directors, other owners, any person having a direct or indirect financial~~
1176 ~~interest in the business, and agents or employees of the Applicant are of~~
1177 ~~Good Moral Character considering the factors in C.R.S. § 24-5-101(2);~~
1178 ~~have no felony convictions in the last five years, no drug-related local~~

1179 ~~ordinance, petty offense or misdemeanor convictions in the last five~~
1180 ~~years, and no drug-related felony convictions.~~

1181 ~~11. The Applicant provides affirmation in writing, the Applicant's principal~~
1182 ~~officers, directors, members, or owners who now, or at any time in the~~
1183 ~~past, have had 10% or more ownership in any cannabis business have~~
1184 ~~not had, or the business has not had, a cannabis license suspended or~~
1185 ~~revoked by the State of Colorado or any other state, or any other~~
1186 ~~jurisdiction's local authority or other controlling authority;~~

1187 **2312.** The Applicant provides affirmation in writing that the Applicant
1188 will, if selected for licensure, make all the improvements to the licensed
1189 premises as required by the GJMC or will have a plan and timeline to
1190 improve the proposed license location so that the cannabis business
1191 operations shall begin within six months of the issuance of the License.

1192 **2413.** The Applicant affirms in writing, the Applicant is not a sheriff,
1193 deputy, police officer, prosecuting officer, or an officer or employee of
1194 the state; and,

1195 **2514.** The Applicant affirms in writing, the Applicant is not a person
1196 whose authority to be a primary caregiver as defined in § 25-1.5-106(2),
1197 C.R.S., has been revoked by the state health agency.

1198 (e) Incomplete Application. Upon review of an application, the City Manager
1199 shall provide a notice of initial determination to the Applicant in writing
1200 as to whether the Applicant's application is complete. ~~If such application~~
1201 ~~is incomplete or if such proposed licensed premises violates City laws,~~
1202 ~~the City Clerk shall provide to the Applicant twenty days to cure the~~
1203 ~~application or violation before notifying the State that the application is~~
1204 ~~disapproved by the City.~~

1205 (f) Denial of initial application. The City Manager may deny any application
1206 that does not meet the requirements of this Chapter, the Colorado
1207 Marijuana Code, or any other applicable state or City law or regulation. In
1208 addition to prohibitions on persons as licensees found in the Colorado
1209 Marijuana Code, should the Applicant ~~fail be unable~~ to affirm and
1210 information or representation(s) as required by 5.13.016(d), or the City
1211 discovers evidence that any affirmation was contrary, false, misleading
1212 or incomplete, such shall constitute full and adequate grounds for denial
1213 of any application.

1214 1. Notice of denial. If, after investigation and discovery, the City
1215 Manager determines that the application will be denied, the City
1216 Manager shall:

- 1217
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- 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.

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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, on a form provided by the City, received by the City Manager within 20 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.

1232 **5.13.0178** Randomized selection process.

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(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.

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(b) The random selection drawing from of all qualified applications will be held by the Authority at City Hall, 250 N. 5th Street, Grand Junction, CO 81501. The random selection drawing will ~~will not~~ be conducted publicly. ~~open to be viewed by the public.~~ Entrants need not be present at the selection.

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(c) 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. selection.

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(d) Following the assignment of ~~Once all of the applicants are assigned a~~ random number, the numbers are placed back in the selection container and ten numbers will be randomly selected and such 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 RRR ~~email/mail~~ at the address ~~s-set forth in the application.~~

1254
1255

(e) Those ~~first-entrant~~ selected shall have the opportunity to operate a regulated cannabis business at the location specific to its Application

1256 ~~and so long as it commences operations as within the time specified in~~
1257 ~~Section §5.13.017(d)(12). If any of the Applicant(s) selected at the random~~
1258 ~~selection drawing does not commence begin operations of the business,~~
1259 ~~then within the specified time, another random selection process will~~
1260 ~~occur in the same format as provided by this Code. indicated above.~~
1261 ~~However, the Authority may, with reasonable justification, as determined~~
1262 ~~solely within the Authority's discretion, grant an Applicant one extension~~
1263 ~~not to exceed 90 days for the operation of the regulated cannabis~~
1264 ~~business.~~

1265 (f) ~~If less than ten Applicants are eligible to be randomly selected for~~
1266 ~~issuance of a cannabis business license then no randomized selection~~
1267 ~~process shall occur.~~

1268 (h) ~~In no event may shall a qualified Applicant sell its drawing entrant, an~~
1269 ~~entrant's position in the randomized selection process, nor may an~~
1270 ~~selected Applicant selected for licensure, be allowed to sell, transfer or~~
1271 ~~otherwise assign its their position/license to any other person or entity.~~
1272 ~~(See, §§5.13.029 and 030)~~

1273 5.13.019 Reserved.

1274 **5.13.01820 Investigation and fingerprinting of Applicant.**

1275 Prior to the acceptance of applications for a License, transfer of ownership, change
1276 of corporate structure, or other permit as provided in this Chapter, the Colorado
1277 Marijuana Code and the Colorado Marijuana Rules, the following individuals shall
1278 provide verified fingerprint information to the Grand Junction Police Department:

- 1279 (a) If the Applicant is a natural person, that person;
- 1280 (b) If the Applicant is a partnership, all of the partners; and
- 1281 (c) If the Applicant is a corporation, both the officers and directors, together
1282 with any person owning more than 10% of the stock thereof.

Commented [JS8]: Need to have discussion regarding 10%

1284 **5.13.01924 Duty to supplement.**

- 1285 (a) If, at any time before or after a license is issued pursuant to this Chapter,
1286 any information required by the Colorado Marijuana Code, or any rule and
1287 regulation adopted pursuant thereto, changes from that which is stated
1288 in the application, the Applicant or Licensee shall supplement its
1289 application with the updated information within ten days from the date
1290 upon which such change occurs.

1291 (b) An Applicant or Licensee has a duty to notify the Authority of any pending
1292 criminal charge(s) and any criminal conviction(s) by the Applicant,
1293 Licensee, any owner, officer, director, manager, agent or employee of the
1294 Applicant or Licensee within ten days of the event.

1295 (c) An Applicant or Licensee has a duty to notify the Authority of any pending
1296 violation of, and any conviction for, a violation of any building, fire, health
1297 or zoning statute, code or ordinance related to the cultivation,
1298 processing, manufacture, transportation, storage, sale, distribution,
1299 testing, research, or consumption of any form of cannabis by the
1300 Applicant, Licensee, any owner, officer, director, manager, agent or
1301 employee of the Applicant or Licensee within ten days of the event.

1302

1303 **5.13.02023** Number of licenses.

1304 (a) No more than ten regulated ~~ory~~ cannabis business licenses, excluding any
1305 cannabis testing facilities and any medical cannabis business license(s)
1306 ~~that are~~ co-located with a Retail Cannabis business license, shall be issued.

1307 (b) Included within the 10 license numerical limit referenced above in (a), no
1308 more than two cannabis business licenses may be issued in the Horizon
1309 Drive Association Business Improvement District, which is described as all
1310 commercial property bounded on the south by G Road, north on Horizon
1311 Drive through and including H Road, bounded on the west by 27 Road/15th
1312 Street, and on the east by 27 ½ Road northeast to Walker Field Airport
1313 Authority. The boundaries of the Horizon Drive Association District include,
1314 but are not limited to, Horizon Court, Compass Drive Association,
1315 Crossroads Boulevard, Crossroads Court, Skyline Court, Sundstrand Way
1316 and Hilaria Avenue, as otherwise amended.

1317 **5.13.0214** Classes of licenses authorized.

1318 For the purpose of regulating testing, distribution, offering for sale and sale of
1319 cannabis, the Licensing Authority, in its sole discretion, may issue and grant to the
1320 Applicant a local license from any of the following classes, and the City hereby
1321 authorizes issuance of the licenses of the following classes by the state licensing
1322 authority in locations in the City, subject to the provisions in this Chapter:

1323 Retail Cannabis Store

1324 Co-located Medical Cannabis Store

1325 Retail Cannabis Testing Facility

1326 Medical Cannabis Testing Facility(ies) Facilities

1327 **5.13.0225** Requirements of Issuance of a License.

Commented [JS9]: Will work with prohibited list in 5.13.032

1328 The Authority shall not issue a cannabis business license except when each of the
1329 following requirements have been met:

1330 (a) The City Manager approved the Applicant's initial application; and,
1331 (b) The Hearing Officer ~~finds in writing~~ ~~ound~~ the ~~approved~~ initial application to
1332 be complete, and after a public hearing refers ~~red~~ the initial application to
1333 the randomized selection process for possible selection for licensure for a
1334 license authorized by this Chapter;

1335 (c) If there ~~is to be was~~ a randomized selection process, the initial Application
1336 was selected for licensure in that process; and,

1337 (d) The Applicant submitted all documents to the Authority that it provided to
1338 the State for cannabis business licensure; and,

1339 ~~(e) The Applicant submitted Findings of Suitability application; and,~~

1340 (ef) At the time of issuance of a License, the Applicant has paid all fees and has
1341 or will have commence operation within 6 months of selection in the random
1342 selection process; of licensure a certificate of occupancy;

1343 1. -The Hearing Officer may extend the period for the Applicant to
1344 commence operation for a period of up to 18 months and not to exceed
1345 24 months from the date of selection in the random selection process.
1346 1. the 180 day period if the Applicant can demonstrate that they have been
1347 making diligent effort to meet the deadline, but due to unforeseen
1348 circumstances outside of their control, such as material shortages or
1349 production delays, has not been able to do so.

1350 (fg) The Applicant and the Applicant's owner(s) and financier(s) are in
1351 compliance with all federal, state and local tax laws; and,

1352 (h) ~~The Applicant has registered with the Authority the name(s) of the~~
1353 ~~manager(s) of the cannabis business, and has provided to the Authority the~~
1354 ~~names of all persons having 10% financial and/or ownership interest, in the~~
1355 ~~cannabis business that is subject of the Application or, if the Applicant is~~
1356 ~~an Entity, having a financial interest in the Entity together with the following:~~

1357 ~~Name, address, date of birth;~~

1358
1359 ~~Acknowledgment and consent that the City may conduct a background~~
1360 ~~investigation, including a criminal history check, and the City will be entitled~~
1361 ~~to full and complete disclosure of all financial records of the regulated~~
1362 ~~cannabis business and of any or all financial interests thereof, including~~
1363 ~~records of deposit, withdrawals, balances and loans;~~

Commented [JS10]: Should this reference be license or occupancy?

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~~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;~~

~~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;~~

~~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 four years;~~

~~Evidence of a valid City and state sales tax license for the business;~~

~~Proof of insurance as provided by § 5.13.035 of this Chapter;~~

~~A zoning and buffering verification as described by this Chapter;~~

~~An operating plan;~~

~~A 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.~~

~~A plan for preventing underage persons from entering the premises.~~

1398 ~~If drive thru cannabis service is contemplated, a description of security~~
1399 ~~measures to prevent and address diversion of cannabis to youth and~~
1400 ~~potential criminal behavior and is required a zoning/land use permit. See~~
1401 ~~5.13.038.~~

1402
1403 ~~A plan for disposal of any regulated cannabis that is not sold in a manner that~~
1404 ~~protects any portion thereof from being possessed or ingested by any~~
1405 ~~person or animal.~~

1406
1407 ~~A plan for ventilation of the regulated cannabis business that describes the~~
1408 ~~ventilation systems that will be used to prevent unreasonable odor of~~
1409 ~~cannabis off the premises of the business;~~

1410
1411 ~~Disclosure of the Applicant's financial interests, including individuals and/or~~
1412 ~~entities.~~

1413
1414 ~~(g) A Licensee shall report each and every change of financial interest~~
1415 ~~in the License and/or the Licensee to the Authority prior to any such~~
1416 ~~change pursuant to and in accordance with the provisions of law and~~
1417 ~~the Colorado Marijuana Rules. A report shall be required for transfers~~
1418 ~~of capital stock of any corporation regardless the size, for transfers of~~
1419 ~~member interests of any limited liability company regardless of the~~
1420 ~~size, and for any transfer of an interest in a partnership or other entity~~
1421 ~~or association regardless of size;~~

1422
1423 ~~1. Any supplemental materials required to be provided by the State in~~
1424 ~~order to receive a State-issued cannabis business license pursuant to~~
1425 ~~the Colorado Marijuana Code and rules adopted pursuant thereto; and,~~

1426
1427 ~~2. Any supplemental materials to comply with City laws and any~~
1428 ~~additional information that the Authority reasonably determines to be~~
1429 ~~necessary in connection with the investigation and review of the~~
1430 ~~Application.~~

1431
1432 ~~(i) A written statement disclosing if the named owner(s), member(s),~~
1433 ~~manager(s), Financer(s), agent(s), or person(s) named on the Application~~
1434 ~~has(have) been:~~

1435

1436 1. ~~Denied an application for a cannabis business license pursuant to this~~
1437 ~~Chapter, or any state or local licensing law, rule, or regulation, or had~~
1438 ~~such a license suspended or revoked.~~

1439
1440 2. ~~Denied an application for liquor license pursuant to Title 44, Article 47 or~~
1441 ~~Article 46, C.R.S. or any similar state or local licensing law, or had such a~~
1442 ~~license suspended or revoked.~~

1443
1444 ~~In the event an owner, member, agent, manager, financier, or other person~~
1445 ~~named on the Application contains information regarding violations of~~
1446 ~~any law or previous denial or revocation of a license, that person must~~
1447 ~~include with the Application any information regarding such violation(s),~~
1448 ~~denial, or revocation. Such information must include, but is not limited~~
1449 ~~to, a statement of the violation(s) and penalty(ies) for such violation(s),~~
1450 ~~evidence of rehabilitation, character references, and educational~~
1451 ~~achievements, and other regulatory licenses held without compliance~~
1452 ~~violations, especially those items pertaining to the period of time between~~
1453 ~~the Applicant's last violation of any law and the date of the application.~~

1454
1455 ~~___ The City may, prior to issuance of the certificate of occupancy for the~~
1456 ~~cannabis business, perform an inspection of the proposed licensed~~
1457 ~~premises to determine compliance with any applicable requirements of~~
1458 ~~this Chapter or other provisions of this Code, the International Fire Code~~
1459 ~~or the International Building Code.~~

1460
1461 **5.13.02~~36~~ Fees.**

1462 (a) ~~A nonrefundable Application Fee shall be paid to the state upon~~
1463 ~~application to the state for a cannabis business license.~~

1464 (b) ~~The Application and License Fees shall be paid to the City at the time of~~
1465 ~~application for a cannabis business license. At the discretion of the City,~~
1466 ~~a portion of the license fee may be refunded if an application is withdrawn~~
1467 ~~by the Applicant, denied by the City Manager or Hearing Officer, or the~~
1468 ~~Applicant is not selected in the randomized selection process for~~
1469 ~~issuance of a cannabis business license. The License Fee may be~~
1470 ~~refunded if an application is withdrawn by the Applicant, denied by the~~
1471 ~~City Manager or Hearing Officer, or the Applicant is not selected in the~~
1472 ~~randomized selection process. for issuance of a cannabis license. A~~
1473 ~~request for a refund must be made in writing by the Applicant to the City~~
1474 ~~Manager within 30 days of the date of the withdrawal, denial of the~~
1475 ~~application or failure of the license to be selected in the randomized~~

Commented [JS11]: ? Some? All? If some, how much?

1476 selection process for issuance of a cannabis business license. The
1477 Application Fee is nonrefundable.

1478 (c) Renewal, change of location, inspection and all other fees may be
1479 imposed as necessary for the administration, regulation and
1480 implementation of this Code shall be set by City Council resolution.

1481 (d) License and application fees shall be set City Council resolution, and, as
1482 deemed necessary, adjusted to reflect the direct and indirect costs
1483 incurred by the City in connection with the adoption, administration, and
1484 enforcement of this Code.

1485 (e) In addition to fees and any other monetary remedy provided by this Code,
1486 the City shall have the right to recover all sums due and owing hereunder
1487 by any civil remedy available at law.

1488

1489 **5.13.0248** No vested rights; commencement of operations.

1490 (a) Notwithstanding anything contained in this Chapter, an application
1491 initially approved for consideration of licensure and found to be
1492 complete by the Hearing Officer, or in the event a license is issued,
1493 creates no vested right(s) to the License or the renewal of a License, and
1494 no property right in the License or the renewal of a License is created.
1495

1496
1497 ~~(b) (b)~~—In the event that a cannabis business does not commence operations
1498 within 6 months 180 days of selection through the randomized selection
1499 process, issuance of a certificate of occupancy for the regulated cannabis
1500 business from the City, the license shall be deemed forfeited and the
1501 business may not commence operation, unless the Authority has granted an
1502 extension of 18 months, which extension shall in no event not to exceed 24
1503 months from the date of selection in the randomized selection process.
1504

1505
1506 (c) It shall be unlawful for the owner of a building to allow the use of any
1507 portion of the building by a cannabis business unless the tenant has a
1508 valid regulated cannabis business license or has applied for one and
1509 been awarded a regulated cannabis business license or no cannabis is
1510 located on the premises until a license has been issued by the City. In
1511 the event that the City has an articulable reason to believe that a
1512 regulated cannabis business is being operated in a building, it shall be
1513 unlawful for the owner of the building to refuse to allow the City access

1514 to the portion of the building in which the suspected cannabis business
1515 is located to determine whether any cannabis is on the premises.

1516
1517 **5.13.0295** Transfer.

1518
1519 (a) A cannabis business license is not transferrable or assignable, in whole or
1520 in part, including, without limitation, to a different premise or to a different
1521 type of business. A regulated cannabis business license is valid only for the
1522 owner named thereon, the type of business disclosed on the application for
1523 the License(s), and the location for which the license is issued. The
1524 Licensee(s) of a regulated cannabis business are only those persons
1525 disclosed in the Application or subsequently disclosed to the City in
1526 accordance with this Chapter.

1527 (b) Transfer of ownership of any interest of the Licensee may not occur within
1528 three years of issuance of the license by the City unless by Court order or or
1529 other operation of law such as probate or lawful seizure/dispossession.

1530 (c) Transfer of ownership of any regulated cannabis business license issued
1531 pursuant to this Chapter shall be governed by the standards and procedures
1532 set forth in the Colorado Marijuana Code and any regulations adopted
1533 pursuant thereto and the Authority shall administer transfers of local
1534 licenses in the same manner as the state licensing authority administers
1535 transfers of state licenses. The public hearing requirement set forth in §
1536 5.13.02734 of this Chapter shall apply to all applications for transfer of
1537 ownership of any regulated cannabis license.

1538 (d) In determining whether to permit a transfer of ownership, the Authority may
1539 consider the requirements of law and the Colorado Marijuana Rules. No
1540 application for transfer of ownership will be considered by the Authority if,
1541 at the time of such application, the Licensee is under a notice of violation or
1542 other unlawful acts issued by either the Authority or the state licensing
1543 authority.

1544 (e) The submission or pendency of an application for transfer of ownership
1545 does not relieve the Licensee from the obligation to properly apply to renew
1546 such License.

1547 (f) No owner may apply for a transfer of ownership of any regulated cannabis
1548 business license issued pursuant to this Chapter if the transferee is an
1549 owner of or an affiliate of any other business entity holding another
1550 regulated cannabis license in the City.

1551 **5.13.02630** Change in corporate structure.

1552 (a) A change of corporate structure of any regulated cannabis business that
1553 results in any of the change(s) in subsections 1 through 3 below shall
1554 require the filing of an application and payment of the requisite fees and
1555 shall be subject to all requirements of the licensing process. A change of
1556 corporate structure shall be heard and approved or denied by the Authority.

1557 1. Any transfer or assignment of ten percent or more of the capital
1558 stock of any corporation, or transfer of ten percent or more of the
1559 ownership interests of any limited partnership interest in any year,
1560 or transfer of any liability company interest in a limited liability
1561 company of any kind, joint venture or business entity that results in
1562 any individual owning more than ten percent of ownership interest
1563 in the business entity if that individual's ownership interest did not
1564 exceed ten percent prior to transfer. controlling interest regardless
1565 of size.

1566 2. Any change of officer or directors of a corporation that involves the
1567 addition or substitution of individual(s) who was not previously an
1568 officer or director of the corporation during a period of time that the
1569 corporation held the license.

1570 3. ~~Any transfer of the capital stock of any corporation, or transfer of~~
1571 ~~any limited partnership interest in any general partnership of a~~
1572 ~~limited partnership, or transfer of any limited liability company~~
1573 ~~interest in a limited liability company of any kind, joint venture or~~
1574 ~~business entity that results in any individual owning more than ten~~
1575 ~~percent of an ownership interest in the business entity if that~~
1576 ~~individual's ownership interest did not exceed ten percent prior to~~
1577 ~~the transfer.~~

1578 (b) A change of corporate structure that results in any transfer or assignment
1579 of less than ten percent of the capital stock of any corporation or less than ten
1580 percent of the ownership interests of any limited partnership interest in any
1581 year to a person who currently has an interest in the business, and that does
1582 not result in a change of controlling interest, shall not require an application
1583 for change of corporate structure.

1584 (c) No application for transfer of ownership or change in corporate structure
1585 may be approved by the Authority until all City and state occupational taxes,
1586 City and state sales and use taxes, excise taxes, any fines, penalties, and
1587 interest assessed against or imposed upon such Licensee in relation to
1588 operation of the licensed business are paid in full.

1589 (d) A Licensee shall report each and every change of financial interest in the
1590 license and/or the Licensee to the Authority prior to any such change pursuant
1591 to and in accordance with the provisions of law and the Colorado Marijuana

1592 Rules. A report shall be required for transfers of capital stock of any
1593 corporation regardless the size, for transfers of member interests of any limited
1594 liability company regardless of the size, and for any transfer of an interest in a
1595 partnership or other entity or association regardless of size.

1596 (e) No owner may apply for a change in corporate structure of any regulated
1597 cannabis business licensed entity issued pursuant to this Chapter if the
1598 change adds any person or entity as an owner, officer or member of the
1599 corporation or entity as an affiliate of any other business entity holding
1600 another regulated cannabis license in the City.

1601 **5.13.02734 Public Hearing and Notice Requirements.**

1602
1603 (a) The public hearing procedure shall apply to any Application that has been
1604 first approved by the City Manager for any regulated cannabis business and
1605 to any application for licensing renewal if the renewal application is referred
1606 to the Licensing Authority by the City Manager pursuant to § 5.13.03545 of
1607 this Chapter.

1608 (b) Public notice of the application shall be given as follows or as more
1609 particularly required by C.R.S. 44-10-303 as applicable:

Commented [LB12]: Do we also need to refer to CRS 44-10-303 regarding public hearing notice for medical licenses?

1610 1. Posting a sign by the applicant on the premises for which an
1611 application has been made, not less than 14 days prior to the public
1612 hearing, stating the date of the application, the date of the hearing, the
1613 name and address of the applicant and such information as may be
1614 required to fully apprise the public of the nature of the application. The
1615 City Clerk shall provide the sign to the applicant for posting. If the
1616 building in which the regulated cannabis business is to be located is in
1617 existence at the time of the application, any sign posted shall be placed
1618 so as to be conspicuous and plainly visible to the general public.

1619
1620 2. Publication of notice by the City Manager not less than 14 days prior to
1621 the public hearing, in the same manner as the City posts notice of other
1622 public hearing matters.

1623
1624 (c) Any decision of the Authority-, acting by and through the Hearing
1625 Officer, Authority approving or denying an application shall be in writing
1626 stating the reasons therefor and ~~the City Manager shall send~~ a copy of
1627 such decision shall be mailed by certified mail to the Applicant at the
1628 address shown in the Application and to the State licensing authority.

1629 **5.13.032 Licenses and permits prohibited.**

1630 ~~The following regulated cannabis licenses and permits, as defined in C.R.S. 44-~~
1631 ~~10-103 as amended, shall be prohibited in the City:~~

1632 ~~(a) Cannabis Products Manufacturing and Cultivation Licenses,~~

1633
1634 ~~(b) Cannabis Hospitality and Sales Licenses,~~

1635
1636 ~~(c) Cannabis Transporter Licenses,~~

1637
1638 ~~(d) Cannabis Business Operator Licenses,~~

1639
1640 ~~(e) Cannabis Cultivator Licenses,~~

1641
1642 ~~(f) Cannabis Accelerator Licenses.~~

1643
1644 **5.13.02833 Persons prohibited as Licensees.**

1645 **(a) No license shall be issued to, held by or renewed by any of the following:**

- 1646 1. Any person until the annual fee for the license has been paid;
- 1647 2. Any natural person who is not of good moral character;
- 1648 3. Any entity of whose officers, directors, stockholders, or managing
- 1649 members are not of good moral character;
- 1650 4. Any person employing, assisted by, or financed in whole or in part
- 1651 by any other person who is not of good moral character;
- 1652 5. Any natural person who has been released within five years
- 1653 immediately preceding the application from any form of
- 1654 incarceration or court-ordered supervision, including a deferred
- 1655 sentence, resulting from a conviction of any felony or any crime
- 1656 under the laws of the State would be a felony; or any crime of which
- 1657 fraud or intent to defraud element, whether in the State or
- 1658 elsewhere; or any felonious crime of violence, whether in the State
- 1659 or elsewhere;
- 1660 6. Any person with ten percent (10%) or greater financial interest in
- 1661 the entity that has been convicted of any of the offenses set forth
- 1662 in (1) above;
- 1663 7. Any Applicant who has made a false, misleading or fraudulent
- 1664 statement or who has intentionally omitted pertinent information
- 1665 on his or her application for a license;
- 1666 8. Any natural person who is under 21 years of age;

Commented [DM13]: Deleted and included in 5.13.22
the allowed licenses.

1667 9. Any person who operates or manages a regulated cannabis
1668 business contrary to the provisions of this Chapter, any other
1669 applicable law, rule, or regulation or conditions imposed on land
1670 use or license approvals, or contrary to the terms of the plans
1671 submitted with the license application or has operated a business
1672 in violation of any law;

1673 10. Any person applying for a license to operate a regulated cannabis
1674 business who has been licensed to operate another regulated
1675 cannabis business in the City pursuant to this Chapter;

1676 11. A person licensed pursuant to this Chapter who, during a period
1677 of licensure, or who, at the time of application, has failed to remedy
1678 an outstanding delinquency for taxes owed, or an outstanding
1679 delinquency for judgments owed to a government;

1680 12. A sheriff, deputy, police officer, prosecuting officer, or an officer
1681 or employee of the state or Authority; and,

1682 13. A person whose authority to be a primary caregiver as defined in
1683 § 25-1.5-106(2), C.R.S., has been revoked by the state health
1684 agency.

1685 14. No owner of any business applying for a license or in possession
1686 of a license within the City may apply for or be an owner of or be
1687 an affiliate of any other business entity applying for another license
1688 within the City.

1689 (b) In making an evaluation of the good moral character of an individual
1690 identified on an application or amendment thereof, the Authority shall
1691 consider the following:

1692 1. An Applicant's violation of law shall not, by itself, be grounds for
1693 denying an application;

1694 2. Verification of or lack of ability to verify items disclosed by the
1695 Applicant;

1696 3. When a person has a history of violation of any law or a history
1697 including denial, revocation, or suspension of a license, the types
1698 and dates of violations; the evidence of rehabilitation, if any,
1699 submitted by the individual; whether the violations of any laws are
1700 related to moral turpitude, substance abuse, or other violations of
1701 any laws that may directly affect the individual's ability to operate
1702 a regulated cannabis business; or whether the violations of any law
1703 are unrelated to the individual's ability to operate such a business;

- 1704 4. The evidence or lack of evidence regarding the ability of the
1705 individual to refrain from being under the influence of intoxicating
1706 or controlled substances while performing regular tasks and
1707 operating a regulated cannabis business;
- 1708 5. Rules adopted by the Authority to implement this Chapter;
- 1709 6. Law, rules, and regulations applicable to evaluation of other types
1710 of licenses issued by the City that consider the good moral
1711 character of the Applicant; and,
- 1712 7. Any additional information the Authority may request of the
1713 Applicant if the Applicant has a violation of any laws, an
1714 administrative or judicial finding of violation of laws regarding use
1715 of alcohol or controlled substances or items disclosed by the
1716 individual which require additional information in order for the
1717 manager to make a determination regarding issuance of the
1718 license.

1719 **5.13.02934 Security requirements.**

1720 Security measures at all licensed premises shall comply with the requirements of
1721 the Colorado Marijuana Code and applicable rules and regulations promulgated
1722 thereunder. In addition, thereto, the following security practice are required:

1723 (a) A security plan submitted with the Application, as it may be amended, shall
1724 provide equipment, which shall be in good working order, monitored, and
1725 secured 24 hours per day. The plan, at a minimum, shall include:

- 1726 1. The installation and use of security cameras to monitor and record all
1727 areas of the premises (except restrooms), and where persons may
1728 gain or attempt to gain access to cannabis or cash maintained by the
1729 regulated cannabis business. Cameras shall record operations of the
1730 business to the off-site location, as well as all potential areas of
1731 ingress or egress to the business with sufficient detail to identify facial
1732 features and clothing. Recordings from security cameras shall be
1733 maintained for a minimum of 40 days in a secure offsite location in the
1734 City or through a service over a network that provides on-demand
1735 access, commonly referred to as a "cloud". The offsite location shall
1736 be included in the security plan submitted to the City and provided to
1737 the Grand Junction Police Department and updated within 72 hours of
1738 any change of such location.
- 1739 2. The installation and use of a safe for storage and any processed
1740 cannabis and cash on the premises when the business is closed to

1741 the public. The safe, as defined in 5.13.013, shall be incorporated into
1742 the building structure or securely attached thereto.

1743 3. The installation and use of an alarm system that is monitored by a
1744 company that is staffed 24 hours a day, seven days a week. The
1745 security plan submitted to the City shall identify the company
1746 monitoring the alarm, including contact information, and updated
1747 within 72 hours of any change of monitoring company. If the alarm
1748 system includes a panic alarm, an operable dedicated phone for law
1749 enforcement to respond to the alarm shall remain on the premises at
1750 all times.

1751 4. The installation and use of outdoor lighting and a diagram and
1752 description of where the lighting shall be placed in accordance with
1753 the GJMC.

1754 (b) The security plan shall be designed to:

- 1755 1. Prevent the use of cannabis on the licensed premises;
- 1756 2. Prevent unauthorized individuals from entering the limited access
1757 area portion of the licensed premises;
- 1758 3. Prevent theft or the diversion of cannabis, including maintaining all
1759 cannabis in a secure, locked room that is accessible only to
1760 authorized persons and, when the business is closed to the public, in
1761 a safe or vault or equivalent secured fixture.

1762 5.13.03035 Insurance.

1763 (a) All Applicants must provide at time of application ~~a quote for~~ binding quote
1764 commitment(s) insurance for worker's compensation insurance as required
1765 by state law and general liability insurance with minimum limits of \$1,000,000
1766 per occurrence and a \$2,000,000 aggregate limit.

1767 (b) Licensee shall at all times maintain in force and effect worker's
1768 compensation insurance as required by state law and general liability
1769 insurance with minimum limits of \$1,000,000 per occurrence and a
1770 \$2,000,000 aggregate limit.

1771 (c) Insurance shall:

- 1772 1. Provide primary coverage;
- 1773 2. Carry limits as provided in this Chapter;

1774 **3. Issue from a company licensed to do business in Colorado having an AM**
1775 **Best rating of at least A-VI; and,**

1776 **4. Be procured and maintained in full force and effect for duration of the**
1777 **License.**

1778 **(d) Licensee shall be required to maintain insurance under this section and shall**
1779 **annually provide the City a certificate of insurance evidencing the existence**
1780 **of a valid and effective policy. The certificate shall show the following:**

1781 **1. The limits of each policy, the name of the insurer, the effective date and**
1782 **expiration date of each policy, the policy number, and the names of the**
1783 **additional insureds; and,**

1784 **2. A statement that Licensee shall notify the City of any cancellation or**
1785 **reduction in coverage within seven days of receipt of insurer's**
1786 **notification to that effect. The Licensee shall forthwith obtain and submit**
1787 **proof of substitute insurance in the event of expiration or cancellation of**
1788 **coverage within 30 days.**

1789 **5.13.0316 Report requirements.**

1790 **A cannabis business shall report to the City Manager each of the following within**
1791 **the time specified. If no time is specified, the report shall be provided within 72**
1792 **hours of the event:**

1793 **(a) Transfer or change of financial interest, manager or Financier in the license**
1794 **to the City at least 30 days before the transfer or change;**

1795 **(b) Sales and taxable transactions and file sales and use tax reports to the City**
1796 **monthly;**

1797 **(c) Any violation of law by any Licensee, Applicant, or employee of a regulated**
1798 **cannabis business;**

1799 **(d) A notice of potential violation of any law to any license;**

1800 **(e) Upon City request, any report that the regulated cannabis business is**
1801 **required to provide to the State; and;**

1802 **(f) Licensee and any agent, manager or employee thereof shall immediately**
1803 **report to the Grand Junction Police Department any disorderly act, conduct**
1804 **or disturbance and any unlawful activity committed in or on the licensed**
1805 **premises, including, but not limited to, any unlawful sale of regulated**
1806 **cannabis, and shall also immediately report any such activity of which the**

1807 Licensee has knowledge in the immediate vicinity of the business within
1808 twelve hours of the occurrence.

1809 (g) Each Licensee shall post and keep at all times visible to the public in a
1810 conspicuous place on the premises a sign with a minimum height of 14
1811 inches and a minimum width of 11 inches with each letter to be minimum of
1812 one-half inch in height, which shall read as follows:

1813

1814

WARNING:

1815 Grand Junction Police Department shall be notified of any
1816 disorderly act(s), conduct or disturbance(s) and all unlawful
1817 activity(ies) which occur on or within the premises of this licensed
1818 establishment.

1819 (g)(h) It shall not be a defense to a prosecution of a License under this
1820 section that the Licensee was not personally present on the premises at the
1821 time such unlawful activity, disorderly act, conduct, or disturbance was
1822 committed.

1823 (h)(i) Failure to comply with the requirements of this section shall be
1824 considered by the Authority in any action relating to the issuance,
1825 revocation, suspension or nonrenewal of a license.

1826 **5.13.0327 Public health and labeling requirements.**

1827 (a) All regulated cannabis sold or otherwise distributed by the Licensee shall be
1828 labeled in a manner that complies with the requirements of the Colorado
1829 Marijuana Code and all applicable rules and regulations promulgated
1830 thereunder.

1831 (b) All regulated cannabis sold or otherwise distributed by the Licensee shall be
1832 packaged and labeled in a manner that advises the purchaser that it contains
1833 cannabis and specifies the amount of cannabis in the product, that the
1834 cannabis is intended for regulated use solely by the person to whom it is
1835 sold, and that any resale or redistribution of the regulated cannabis to a third
1836 person is prohibited. In addition, the label shall comply with all applicable
1837 requirements of the State of Colorado and any other applicable law.

1838 (c) The product shall be packaged in a sealed container that cannot be opened
1839 without obvious damage to the packaging.

1840 **5.13.0338 Cannabis sales; walk-up and drive thru.**

1841 (a) Regulated cannabis stores licensed may serve customers through drive-up
1842 window as permitted by the City and the State. If a licensed business intends
1843 to permit a walk-up and/or drive-thru sales, this must be included in the
1844 business plan submitted to the City in the application process.

1845 (b) Order and identification requirements.

1846 1. Prior to transferring cannabis to a customer, the regulated cannabis
1847 business must ensure that the consumer is 21 years of age or older by
1848 inspecting the consumer's identification. ~~in the same manner as~~
1849 ~~described in § 5.13.041(f).~~

1850 2. Regulated cannabis stores may accept telephone or online orders or may
1851 accept orders from the consumer at the walk-up window or drive-up
1852 window, to the extent allowed under state law.

1853 3. All orders received through a walk-up window or drive-thru window must
1854 be placed by the customer from a menu. The regulated cannabis store may
1855 not display cannabis at the walk-up or drive-thru window.

1856 4. Delivery windows for walk-up sales must be at a separate location on the
1857 premises than those for drive-thru sales.

1858 5. For every transfer of regulated cannabis through either a walk-up window
1859 or drive-up window, the regulated cannabis store video surveillance must
1860 record the consumer's facial features with sufficient clarity to establish
1861 their identity (and consumer's vehicle in the event of drive-up window) and
1862 must record the Licensee verifying the consumer's identification and
1863 completion of the transaction through the transfer of regulated cannabis.

1864

1865

1866

1867 **5.13.0349 Prohibited acts. It shall be unlawful:**

1868 (a) For any person to sell cannabis or cannabis products without valid regulated
1869 cannabis business licenses from the City and a valid regulated cannabis
1870 business license from the State;

1871
1872 (b) at a licensed regulated cannabis store any time not permitted by this Code;
1873 For any person to operate a regulated cannabis business

- 1874 (c) For any person to sell or distribute cannabis to persons under the age of 21;
- 1875 (d) For any person under 21 years of age to be on or within the limited access
1876 area of any cannabis business;
- 1877 (e) For any person to display, transfer, cultivate, distribute, transfer, serve, sell,
1878 give away, produce, dispose of, smoke, use, or ingest cannabis or any
1879 cannabis openly or publicly in a place open to the general public;
- 1880 (f) For any person to possess or operate a cannabis business in violation of
1881 this Chapter or in a manner that is not consistent with the items disclosed in
1882 the application for the cannabis business or be in violation of any plan made
1883 part of the License Application and/or License;
- 1884 (g) For any person to produce, distribute, or possess more cannabis than
1885 allowed by law, or than disclosed in the application to the State of Colorado
1886 and the Authority for a cannabis business license, or other applicable law;
- 1887 (h) For any person to refuse or fail to provide video surveillance footage to the
1888 Grand Junction Police Department, the City Manager, the City Attorney, or
1889 the Authority in connection with a criminal and/or license violation
1890 investigation, or to refuse to allow inspection of a cannabis business.
1891
- 1892 (i) For any person to refuse to allow inspection of a regulated cannabis
1893 business upon request of a City employee. Any Licensee, owner, manager,
1894 or operator of a regulated cannabis business, or the owner of the property
1895 where a regulated cannabis business is located, may be charged with this
1896 violation;
- 1897 (j) For any person to store or keep cannabis intended for sale or distribution by
1898 the Licensee in any place outside of the licensed premises;
- 1899 (k) For any person to smoke, use, or ingest on the premises of a regulated
1900 cannabis business cannabis, fermented malt beverage, malt, vinous, and
1901 spirituous liquor or any controlled substance(s), except in compliance with
1902 the directions on a legal prescription for the person from a doctor with
1903 prescription writing privileges;
- 1904 (l) For any person to operate or be in physical control of any cannabis business
1905 while under the influence of alcohol or other intoxicant, or cannabis, or any
1906 controlled substance(s), except in compliance with the directions on a legal
1907 prescription for the person from a doctor with prescription writing privileges;
- 1908 (m) For alcohol beverages to be on the licensed premises;

- 1909 (n) For any person to purchase cannabis in the City from any person not
1910 properly licensed to sell cannabis;
- 1911 (o) For any person to possess or operate a regulated cannabis business in
1912 violation of this Chapter;
- 1913 (p) For any person to produce, distribute, or possess more cannabis than
1914 allowed by law; or than disclosed in the application to the State of Colorado
1915 for a regulated cannabis business license, or other applicable law;
- 1916 (q) For any person to give away, dispense, or otherwise distribute cannabis for
1917 free or without use of a coupon approved and defined by this Code;
- 1918 (r) For any person to knowingly conduct or permit any employee to conduct any
1919 sale(s) transaction(s) when the video surveillance system or equipment is
1920 inoperable;
- 1921 (s) For any person to distribute cannabis for remuneration without a regulated
1922 cannabis license or outside of the restricted area of the regulated cannabis
1923 business;
- 1924 (t) For any person to possess regulated cannabis, or own or manage a
1925 regulated cannabis business, or own or manage a building with a regulated
1926 cannabis business, where there is possession of regulated cannabis, by a
1927 person who is not lawfully permitted to possess regulated cannabis;
- 1928 (u) For any person to possess or operate a regulated cannabis business in a
1929 location for which a regulated cannabis business license is prohibited by
1930 law;
- 1931 (v) For any person to operate a regulated cannabis business in a manner that is
1932 not consistent with the Application for the regulated cannabis business or is
1933 in violation of any plan made part of the license application/issued license;
- 1934 (w) For any person to operate a regulated cannabis business without obtaining
1935 and passing all building inspections and obtaining all permits required by
1936 the City;
- 1937 (x) For any person to operate a regulated cannabis business in violation of any
1938 building, fire, zoning, plumbing, electrical, or mechanical code(s) as adopted
1939 and amended by the City;
- 1940 (y) For any person to operate a regulated cannabis business without disclosing,
1941 in the application for a regulated cannabis business license or an
1942 amendment thereto, an agent who either (i) acts with managerial authority,
1943 (ii) provides advise to the regulated cannabis business for compensation, or

- 1944 (iii) receives periodic compensation totaling \$1,000 or more in a single year
1945 for services related to the regulated cannabis business. It shall be an
1946 affirmative defense that the undisclosed person was an attorney,
1947 accountant, bookkeeper, or mail delivery person;
- 1948 (z) For any person to operate a regulated cannabis business without a sales tax
1949 license as required by the GJMC;
- 1950 (aa) For any person to make any change(s), or for the Licensee to allow any
1951 change(s), to the terms of any plan(s) submitted with the license application
1952 and approved by the City, or the person(s) entity(ies) named in the
1953 application, without prior approval of the City;
- 1954 (bb) For any person to attempt to use or display a regulated cannabis business
1955 license at a different location or for a different business entity than the
1956 location and business entity disclosed on the application for the issued
1957 license;
- 1958 (cc) For any person to cultivate, produce, distribute or possess regulated
1959 cannabis or own or manage a regulated cannabis business in which another
1960 person cultivates, produces, distributes, or possesses cannabis, in
1961 violation of law;
- 1962 (dd) For any person to allow an owner or manager that has not been disclosed
1963 to the City as required by law to operate the business;
- 1964 (ee) For any person to dispose of regulated cannabis or any by-product of
1965 regulated cannabis containing cannabis in a manner contrary to law;
- 1966 (ff) For a person to distribute a regulated cannabis plant to any person, except
1967 as permitted by law for immature plants;
- 1968 (gg) For any person to deliver regulated cannabis between regulated cannabis
1969 businesses except in strict compliance with law;
- 1970 (hh) For any person to advertise or publish materials, honor coupons, sell
1971 or give away products, or display signs that are in violation of this Code or
1972 the laws of the State of Colorado;
- 1973 (ii) For any person to violate any provision of this Code or any condition of a
1974 license granted pursuant to this Code or any law, rule, or regulation
1975 applicable to the use of regulated cannabis or the operation of a regulated
1976 cannabis business;
- 1977 (jj) For any person to permit any other person to violate any provision of this
1978 Code or any condition of an approval granted pursuant to this Code, or any

- 1979 law, rule, or regulation applicable to the use of regulated cannabis or the
1980 operation of a regulated cannabis business;
- 1981 **(kk)** For any person to lease any property to a regulated cannabis business that
1982 has cannabis on the property without a regulated cannabis business license
1983 from the City;
- 1984 **(ll)** For any person to distribute cannabis within a regulated cannabis business
1985 to any person who shows visible signs of intoxication from alcohol,
1986 cannabis, or other drug(s)/intoxicant(s);
- 1987 **(mm)** For any person to be on or within the licensed premises if such person is
1988 under 21 years of age;
- 1989 **(nn)** For any person to permit any person under 21 years of age on the premises
1990 of the regulated cannabis business; it is presumed that the Licensee is
1991 aware of the age of all people on the premises if identification is not
1992 specifically checked at the entry to the building;
- 1993 **(oo)** For any person to fail to confiscate fraudulent proof of age and notify the
1994 Grand Junction Police Department. It shall be an affirmative defense to
1995 failure to confiscate the fraudulent proof of age if an attempt to confiscate
1996 a fraudulent proof of age caused a reasonable person to believe the act
1997 created a threat to any person;
- 1998 **(pp)** For any person to fail to provide a copy or record of a coupon issued by or
1999 redeemed at the regulated cannabis business upon request of an authorized
2000 City employee;
- 2001 **(qq)** For any licensee or any manager, agent or employee of such licensee to fail
2002 to immediately report to the Grand Junction Police Department and the
2003 Authority any disturbance(s), disorderly conduct or criminal activity
2004 occurring at the regulated cannabis business, on the licensed premises,
2005 within the licensed premises, or any property under the control or
2006 management of the Licensee, including any associated contiguous parking
2007 area used by Licensee's patrons. For the purpose of this subsection,
2008 "report" means to either:
- 2009 1. Immediately, verbally, and directly in person notify any on-site
2010 uniformed Grand Junction Police Officer whether on duty or
2011 working secondary employment; or
- 2012 2. Immediately place and complete a telephone call to the non-
2013 emergency line at the Grand Junction Police Department; or

2014 3. Immediately place and complete a telephone call to the
2015 emergency line at the Grand Junction Police Department.

2016 (rr) For any person to fail to post the premises with signs notifying the public of
2017 the closure of the business during a suspension as required by this Chapter;

2018 (ss) For any licensee holding a regulated cannabis store license, or for any agent,
2019 manager or employee thereof, to sell, give, dispense or otherwise distribute
2020 cannabis or regulated cannabis paraphernalia from any outdoor location;

2021 (tt) For any person to employ a business manager that has not been properly
2022 registered with the City; and,

2023 (uu) For any person to operate or possess a regulated cannabis business license
2024 in violation of any ordinance or regulation of the City, or any applicable law,
2025 rule or regulation.

2026 Any person who pleads guilty or no contest to, or who, after hearing, is found to
2027 have violated any of the foregoing shall be subject to penalties pursuant to
2028 Chapter 1.04.080 and any penalties specifically referenced within the GJMC.

2029 5.13.03540 Nonrenewal, suspension or revocation of license.

2030 (a) The term and renewal of the license shall be governed by the standards and
2031 procedures set forth in the Colorado Marijuana Code, the City's Code and
2032 any rules and regulations adopted pursuant thereto.

2033 (b) The Authority, **acting by and through the Hearing Officer**, may, after notice
2034 and hearing, suspend, revoke or deny renewal of a license for any of the
2035 following reasons:

2036 1. The Applicant or licensee, or his or her agent, manager or employee,
2037 manager, or financier has violated, does not meet, or has failed to comply
2038 with, any of the terms, requirements, conditions, or provisions of this
2039 Code or with or with any applicable state or local law, rule or regulation;

2040 2. The Applicant or Licensee, or his or her agent, manager or employee, or
2041 financier has failed to comply with any special terms or conditions of its
2042 license pursuant to an order of the state or the Authority, including those
2043 terms and conditions that were established at the time of issuance of the
2044 license and those imposed as a result of any disciplinary
2045 proceeding(s) held subsequent to the issuance of the license;

2046 3. The regulated cannabis business has been operated, by a preponderance
2047 of the evidence, in a manner that adversely affects the public health,
2048 safety or welfare;

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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;**
- 2053
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2055
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;**
- 2056
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6. **Distribution of cannabis, including, without limitation, in violation of this Chapter or any other applicable law, rule, or regulation;**
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7. **Failure to maintain, or provide to the City upon request, any books, recordings, reports, or other records required by this Chapter;**
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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;**
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2064
9. **Failure to timely notify the City and to complete necessary form(s) for change(s) in financial interest, manager(s), financier, or agent;**
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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;**
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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;**
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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;**
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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;**
- 2081
2082
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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.**

- 2085 **15. Violations of any conditions imposed in connection with the issuance or**
2086 **renewal of the license;**
- 2087 **16. Failure to pay all required fines, interest, costs, fees, or penalties**
2088 **assessed against or imposed upon such Licensee in relation to the**
2089 **licensed cannabis business;**
- 2090 **17. Failure to file tax returns when due as required by this Code, or the**
2091 **Licensee is overdue on his or her payment to the state or local taxes**
2092 **related to the operation of the business associated with the license;**
- 2093 **18. Loss of right of possession to the licensed premises;**
- 2094 **19. Failure of the licensee to comply with the duty to supplement the license**
2095 **application;**
- 2096 **20. Failure of the licensee to operate in accordance with any special term or**
2097 **condition placed upon a license by the Authority or the state licensing**
2098 **authority;**
- 2099 **21. The licensee, or any of agent(s) or employee(s) of the Licensee, have**
2100 **committed any unlawful act as described in this Chapter or violated any**
2101 **ordinance of the City or any state law on the premises or have permitted**
2102 **such a violation on the premises by any person;**
- 2103 **22. The licensee has knowingly permitted or encouraged, or has knowingly**
2104 **and unreasonably failed to prevent a public nuisance within the meaning**
2105 **of this Chapter from occurring or in or about the licensed premises;**
- 2106 **23. The odor of cannabis is perceptible to an ordinary person at the exterior**
2107 **of the building at the licensed premises or is perceptible within any space**
2108 **adjoining the licensed premises;**
- 2109 **24. The licensee knowingly permitted or allowed the consumption of**
2110 **cannabis on the licensed premise;**
- 2111 **25. The licensee knowingly permitted the possession or consumption of an**
2112 **alcohol beverage within the licensed premises. At any hearing for**
2113 **violation of this subsection, any bottle, can, or other container label**
2114 **indicating the contents of such bottle, can, or other container, shall be**
2115 **admissible into evidence and shall be prima facie evidence that the**
2116 **contents of the bottle, can, or other container was composed in whole or**
2117 **in part an alcohol beverage;**
- 2118 **26. The licensee has failed to appear upon a Municipal Court summons;**

- 2119 **27. The licensee, or any of the officer(s), director(s), owner(s), manager(s),**
2120 **agent(s), or employee(s) has(have) been convicted of a felony or drug**
2121 **related criminal offense within the previous 12 months;**
- 2122 **28. The licensee engaged in any form of business or commerce involving the**
2123 **cultivation, processing, manufacturing, storage, sale, distribution,**
2124 **transportation, ~~testing~~, research or consumption of any form of cannabis**
2125 **or cannabis product other than the privileges granted under the regulated**
2126 **cannabis business license;**
- 2127 **29. The licensee has materially or substantially, changed, altered, or modified**
2128 **the licensed premises, or use of the licensed premises, without obtaining**
2129 **prior approval to make such changes, alterations, or modifications from**
2130 **the Authority;**
- 2131 **30. The licensee has failed to maintain a valid state license; and,**
- 2132 **31. The licensee, or any of the agent(s), servant(s) or employee(s) of the**
2133 **licensee has/have violated any ordinance of the City or any state or**
2134 **federal law on the premises or have permitted such a violation on the**
2135 **premises by any other person.**
- 2136 **(c) Evidence to support a finding of a violation(s) may include, without**
2137 **limitation, one or a combination of the following;**
- 2138 **1. A continuing pattern of disorderly conduct, disturbance(s) or criminal**
2139 **activity occurring at the location, on the licensed premises, within the**
2140 **licensed premises, or any adjoining grounds or property under the**
2141 **control or management of the licensee;**
- 2142 **2. An ongoing nuisance condition emanating from or caused by the**
2143 **regulated cannabis business.**
- 2144 **(d) In the event a business or Licensee is charged with violation of any law, upon**
2145 **which a final judgment would be grounds for suspension or revocation of a**
2146 **license, the City may suspend the license pending the resolution of the**
2147 **alleged violation.**
- 2148 **(e) If the City revokes or suspends a license, the regulated cannabis business**
2149 **may not move any cannabis from the premises except under the supervision**
2150 **of the Grand Junction Police Department.**
- 2151 **(f) The Authority shall conduct a review of all licenses at least annually and, in**
2152 **addition to examining the factors enumerated in this subsection, may hold a**
2153 **hearing on each license at which the general public may be invited to appear**
2154 **and provide testimony as to the effects of the license on the surrounding**

2155 community and the City at large, and the Authority may take such views into
2156 consideration when deciding whether to continue or renew such license.

2157 (g) In the event of the suspension of a regulated cannabis business license,
2158 during the period of suspension, the business:

2159 1. Shall post two notices provided by the Authority, in conspicuous places,
2160 one on the exterior and one on the interior of its premises for the duration
2161 of the suspension; and

2162 2. Shall not sell or otherwise distribute or transport cannabis, nor allow any
2163 customers into the licensed premises.

2164 **5.13.03641 Operational Standards.**

2165 All regulated cannabis businesses shall comply with the applicable state and local
2166 laws, rules and regulations, as amended. In addition, Licensees shall comply with
2167 the following local operational standards. Failure to comply with any State or local
2168 law, rule or regulation or any operational standard(s) may be grounds to suspend
2169 or revoke any license and impose civil penalties where applicable.

2170 (a) Odor management – ventilation required. For all cannabis businesses,
2171 ventilation shall be installed so that the odor of cannabis cannot be detected
2172 by a person with a normal sense of smell at the exterior of a regulated
2173 cannabis business or at any adjoining use or property.

2174 (b) Hours of operation. A regulated cannabis business shall be closed to the
2175 public, and no sale or other distribution of cannabis shall occur upon the
2176 premises between the hours of ~~12 a.m~~10 p.m. and 8 a.m. Provided, however,
2177 in the event that a planned delivery of cannabis cannot be completed on the
2178 day scheduled, the cannabis may be returned to the business.

2179 (c) Display of licenses required. The name and contact information for the owner
2180 or owners and any manager of the regulated cannabis business, the regulated
2181 cannabis business license, and the sales tax business license shall be
2182 conspicuously posted inside the business near the main entrance.

2183 (d) Owner or manager required on premises. No regulated cannabis business
2184 shall be managed by any person other than the Licensee, or the manager
2185 listed on the application for the license or a renewal thereof. Such Licensee
2186 or manager shall be on the premises and responsible for all activities within
2187 the licensed business during all times when the business is open or in the
2188 possession of another person.

2189 **5.13.03742 Records.**

2190 (a) Each Licensee shall keep a complete set of books of account, invoices,
2191 copies of orders and sales, shipping instructions, bills of lading, weigh
2192 bills, correspondence, bank statements, including cancelled checks and
2193 deposit slips, and all other records necessary to show fully the business
2194 transactions of such Licensee. Receipts shall be maintained in a
2195 computer program or by pre-numbered receipts and used for each sale.
2196 The records of the business shall clearly track regulated cannabis
2197 product inventory purchased and sales and disposal thereof to clearly
2198 track revenue from sales of any regulated cannabis from other
2199 paraphernalia or services offered by the regulated cannabis business.

2200 (b) All records shall be open at all times during business hours for the
2201 inspection and examination of the City or its duly authorized
2202 representatives.

2203 (c) The City shall require any Licensee to furnish such information as it
2204 considers necessary for the proper administration of this Chapter. The
2205 records shall clearly show the source, amount, price, and dates of all
2206 cannabis received or purchased, and the amount, price, dates, customer
2207 names, addresses, and contact information for all regulated cannabis
2208 sold.

2209 (d) By applying for a regulated cannabis business license, the Licensee is
2210 providing consent to disclose the information required by this Chapter,
2211 including information about customers. Any records provided by the
2212 Licensee that includes customer confidential information may be
2213 submitted in a manner that maintains the confidentiality of the documents
2214 under the Colorado Open Records Act, § 24-72-201, *et seq.*, C.R.S., or
2215 other applicable law. Any document that the Applicant considers eligible
2216 for protection under the Colorado Open Records Act shall be clearly
2217 marked as confidential, and the reasons for such confidentiality shall be
2218 stated on the document. In the event that the Licensee does appropriately
2219 submit documents so as not to be disclosed under the Colorado Open
2220 Records Act, the City shall not disclose it to other parties who are not
2221 agents of the City, except law enforcement agencies. If the City finds that
2222 such documents are subject to inspection, it will provide at least 24-hour
2223 notice to the Applicant prior to such disclosure.

2224 **5.13.03843 Audits and inspection.**

2225 (a) The City may require an audit to be made of the books of account and
2226 **financial** records of a regulated cannabis business on such occasions as
2227 it may consider necessary. Such audit may be made by an auditor to be
2228 selected by the City that shall likewise have access to all books, **records**
2229 and **information records** of the regulated cannabis business. The expense

2230 of any audit determined necessary by the City shall be paid by the
2231 regulated cannabis business.

2232 **(b)** Application for regulated cannabis business license and/or operation of
2233 a regulated cannabis business, or leasing property to a regulated
2234 cannabis business, constitutes consent by the Applicant, and all owners,
2235 managers, and employees of the business, and the owner of the property
2236 to permit the Authority or agent of the Authority, or anyone authorized to
2237 conduct routine inspections of the regulated cannabis business to
2238 ensure compliance with this Chapter or any other applicable law, rule, or
2239 regulation. The owner or manager on duty shall retrieve and provide the
2240 records of the business pertaining to the inspection. For purposes of
2241 Rule 241 of the Colorado Rules of Municipal Procedure, inspections of
2242 regulated cannabis businesses and recordings from security cameras in
2243 such businesses are part of the routine policy of inspection and
2244 enforcement of this Chapter for the purposes of protecting the public
2245 safety, individuals operating and using the services of the regulated
2246 cannabis business, and the adjoining properties and neighborhood. This
2247 section shall not limit any inspection authority authorized under any
2248 other provision of law or regulation, including those of police, fire,
2249 building, and code enforcement officials. Application for a regulated
2250 cannabis business license constitutes consent to inspection of the
2251 business as a public premises without a search warrant, and consent to
2252 seizure of any surveillance records, camera recordings, reports, or other
2253 materials required as a condition of a regulated cannabis license without
2254 a search warrant.

2255 **(c)** The licensed premises, including any places of storage where regulated
2256 marijuana or regulated marijuana products are stored, sold, dispensed,
2257 or tested are subject to inspection by the City, during all business hours
2258 and other times of apparent activity, for the purpose of inspection or
2259 investigation. When any part of the licensed premises consists of a
2260 locked area, upon demand to the Licensee, such area must be available
2261 for inspection without delay, and upon request by the City, the Licensee
2262 shall open the area for inspection.

2263 ~~**(b)**~~

2264 **(e)(d)** Initial inspection. The City may inspect any regulated cannabis
2265 businesses prior to final issuance of a license to verify that the facilities
2266 are constructed and can be operated in accordance with the Application
2267 submitted and the requirements of laws.

2268 **(d)(e)** Regular inspections. The City is authorized to perform regular
2269 inspections on a quarterly basis during the first year following licensure,

2270 and on a yearly basis prior to license renewal following the first year of
2271 operation.

2272 **(e)(f)** Random inspections. Regular licensing inspection(s) shall not
2273 prevent the City from inspecting regulated cannabis businesses at
2274 random intervals and without advance notice pursuant to the City's Code,
2275 the Colorado Marijuana Code, the Colorado Department of Revenue
2276 Enforcement Division Marijuana Rules, the Colorado Constitution, the
2277 City's Code, or any rule and regulations adopted thereto.

2278 **(f)(g)** Inspection of records. The records to be maintained by each regulated
2279 cannabis business shall include the source and quantity of any cannabis
2280 distributed, produced, or possessed within the premises. Such reports
2281 shall include, without limitation, for both acquisitions from wholesalers
2282 and transactions to patients or caregivers, the following:

- 2283 1. Name and address of seller or purchaser;
- 2284 2. Date, weight, type of cannabis, and monetary amount or other
2285 consideration of transaction;
- 2286 3. For wholesaler transactions, the state and City, if any, sales and
2287 use tax license number of the seller.

2288 **(g)(h)** Disposal of regulated cannabis and cannabis byproducts. All
2289 regulated cannabis and any product containing a usable form of cannabis
2290 must be made unusable and unrecognizable prior to removal from the
2291 business in compliance with all applicable laws. This provision shall not
2292 apply to licensed law enforcement, including without limitation, the Grand
2293 Junction Police Department and the Grand Junction Fire Department.

2294 **(h)(i)** The manager of a regulated cannabis business is required to respond
2295 by telephone or email within 24 hours of contact by a City official
2296 concerning its cannabis business at the telephone number or email
2297 address provided to the City as the contact for the business. Each 24-
2298 hour period during which an owner or manager does not respond to the
2299 City official shall be considered a separate violation.

2300 **5.13.03944** Modification of premises.

2301 (a) Any modification of the licensed premises shall be governed by the
2302 standards and procedures set forth in the Colorado Marijuana Code, this
2303 Chapter, and any regulations adopted pursuant thereto.

2304 (b) The Authority shall administer applications to modify the premises in the
2305 same manner as the state licensing authority administers changes of
2306 location and modifications of premises for state licenses.

2307 (c) Any application for a proposed modification of the licensed premises shall
2308 comply with and shall be subject to review and approval of the Building
2309 Departments and any other agency that is required to approve such
2310 modification.

2311 **5.13.0405 Renewals.**

2312 (a) A regulated cannabis business license issued pursuant to this Chapter shall
2313 be valid for one year from the date of issuance and shall automatically expire
2314 on the last day of the month in which the License is issued of the year
2315 following issuance or renewal of the License.
2316

2317 (b) During the term of the License, the Licensee shall have the ongoing
2318 obligation to:
2319

2320 1. Provide the City with copies of all material that it voluntarily files or is
2321 required to file with the Colorado Department of Revenue Marijuana
2322 Enforcement Division; and,
2323

2324 2. Post a 24 inch x 36 inch sign within the licensed premises of a regulated
2325 cannabis business which includes the warning statements set forth in
2326 Rule 1006 C.1.i. of the Colorado Department of Revenue Marijuana
2327 Enforcement Division Permanent Rules Related to the Colorado
2328 Regulated Marijuana Code, as amended.
2329

2330 (c) Licensee must apply for the renewal of an existing license at least 45 days
2331 prior to the License's expiration date. The Licensee shall apply for renewal
2332 using forms provided by the City. If the Licensee fails to timely file a renewal
2333 application, the Licensee must provide a written explanation detailing the
2334 circumstances surrounding the late filing. If the Authority accepts the
2335 application, then it administratively continues the License beyond the
2336 expiration date, but for no longer than 45 days after the expiration date, while
2337 the Authority completes the renewal licensing process, in which case, the
2338 Licensee shall pay an additional fee to the City prior to issuance of the
2339 renewed license. The renewal license fee, and late fee if applicable, shall
2340 accompany the renewal application. Such fee(s) are nonrefundable.
2341

2342 (d) In the event that there has been a change to any of the plans submitted with
2343 identified in the license application, which were submitted to and approved
2344 by the Authority with the application or an earlier a renewal, the renewal or
2345

2346 modification of the premises application, such change(s) shall be
2347 specifically include specifics of the changes or proposed and described
2348 prior to be made by the Licensee and/or approved, if at all, by the Authority
2349 changes in any of such plans.
2350

2351 (e) In the event any person who has an interest in the License or any manager,
2352 financier, agent as defined herein, or employee has been charged with or
2353 accused of violations of any law since issuance of the License, the renewal
2354 application shall include the name of the violator, the date of the violation,
2355 the court and case number where the violation was filed, and the disposition
2356 of the violation with the renewal application.
2357

2358 (f) In the event the regulated cannabis business Licensee has received any
2359 notice of violation of any law, the renewal application shall include a copy of
2360 the notice or suspension.
2361

2362 (g) The renewal application shall include verification that the business has a
2363 valid state license and the state license is in good standing.
2364

2365 (h) The Authority shall not accept renewal applications after the expiration of
2366 the License.
2367

2368 (i) No renewal application shall be accepted by the Authority that is not
2369 complete. Any application mailed to or deposited with the Authority that,
2370 upon examination, is found to have some omission or error, shall be
2371 returned to the Applicant for completion or correction.
2372

2373 (j) In the event there have been allegations of violations of this Chapter, if the
2374 Licensee has a history of violation(s), or if the Licensee has committed
2375 unlawful acts, and/or if there are allegations against the Licensee that would
2376 constitute **good** cause as defined herein by any of the Licensee(s) or the
2377 business submitting a renewal application, the Authority City may hold a
2378 hearing pursuant to § 5.13.02734 of this Chapter, prior to approving the
2379 renewal application. The hearing shall be to determine whether the
2380 application and proposed Licensee(s) comply with this Chapter. If the
2381 Authority holds a hearing and the application and the Licensee is are found
2382 to meet the requirements of this Chapter, or the business has been operated
2383 in the past in violation of law, rule or regulation, then the renewal application
2384 may be denied or issued with conditions, and the Authority's decision shall
2385 be final subject to judicial review.
2386

2387 (k) All renewal applications shall be reviewed and evaluated by the Authority if
2388 no hearing is scheduled. The Authority may refuse to renew any license for

2389 good cause as that term is defined in this Chapter and any applicable local
2390 law or regulation.

2391
2392 (l) In the event a regulated cannabis business that has been open and
2393 operating and submitting monthly sales and use tax returns to the City
2394 ceases providing sales and use tax returns to the City for a period of three
2395 months or longer, the cannabis business license shall be set for a public
2396 hearing for the Authority to determine if the License shall be revoked.

2397
2398 (l) In the event the City incurs costs in the inspection, clean-up, or any other
2399 necessary or required action to remove regulated cannabis of any regulated
2400 cannabis business, or any person cultivating, producing, distributing, or
2401 possessing cannabis, or otherwise cause the business to be in compliance
2402 with applicable law, the Licensee shall reimburse the City all costs incurred
2403 by the City for such inspection and/or cleanup.

2404
2405 **5.13.0416 Compliance monitoring.**

2406
2407 (1) The City shall monitor compliance with this Chapter, as it deems
2408 appropriate.

2409
2410 (2) The City shall have the discretion to consider any or all previous
2411 compliance check histories of a Licensee in determining how frequently
2412 to conduct compliance checks of a Licensee with respect to any
2413 licensee(s).

2414
2415 (3) Compliance checks shall be conducted as the City determines
2416 appropriate so as to allow the City to determine, at a minimum, if the
2417 regulated cannabis business is conducting business in a manner that
2418 complies with law.

2419
2420 (4) It shall not be a violation of the law for a person under the minimum sale
2421 age for cannabis purchases or possession to purchase or possess
2422 cannabis products if the underage person is participating in a compliance
2423 check supervised by any person authorized by the City or the State of
2424 Colorado to conduct compliance monitoring.

2425
2426 **5.13.0427 Sales tax.**

2427 Each regulated cannabis business shall collect and remit City sales and use
2428 tax on all regulated cannabis, paraphernalia and other tangible property used or
2429 sold at the licensed premises as provided by the Grand Junction Municipal Code
2430 and other applicable law.

2431 **5.13.0438** Violations and Penalties.
2432

2433 (a) The Authority shall hear all actions relating to the suspension or
2434 revocation of licenses pursuant to this Chapter. The Authority shall have
2435 the authority to impose disciplinary actions, sanctions, penalties upon a
2436 Licensee including but not limited to additional terms and conditions on
2437 the license, a fine in lieu of a suspension, a suspension or a revocation
2438 of a license issued by the Authority for any violation by the Licensee or
2439 by any of the agents or employees of the Licensee of any provision of the
2440 Colorado Marijuana Code, the City's Code, any rule or regulation adopted
2441 pursuant thereto, any building, fire, health or zoning statute, code, or
2442 ordinance, or any of the rules and regulations adopted pursuant thereto,
2443 in addition to any other penalties prescribed by this Code.

2444 (b) In addition to the possible denial, suspension, revocation or nonrenewal
2445 of a license under the provisions of this Chapter, any person, including
2446 but not limited to, any Licensee, manager or employee of a regulated
2447 cannabis business, or any customer of such business, who violates any
2448 of the provisions of this Chapter, shall be guilty of a misdemeanor offense
2449 punishable in accordance with § 1.04.090 of this Code. A person
2450 committing a violation shall be guilty of a separate offense for each and
2451 every day during which the offense is committed or continued to be
2452 permitted by such person and shall be punished accordingly.
2453

2454 (c) The City shall commence suspension or revocation proceedings by
2455 petitioning the Authority to issue an order to the Licensee to show cause
2456 that the Licensee's license should not be suspended or revoked. The
2457 Authority shall issue such an order to show cause if the petition
2458 demonstrates that evidence exists to determine that one or more grounds
2459 exist to suspend or revoke the Licensee's license. The order to show
2460 cause shall set the matter for a public hearing before the Licensing
2461 Authority.
2462

2463 (d) The City Manager shall give written notice of the public hearing no later
2464 than fifteen days prior to the hearing by mailing, either electronically or
2465 by first class mail, the notice to the Licensee at the address contained in
2466 the Licensee's license. At the hearing, the Licensee shall have the
2467 opportunity to be heard, to present evidence and witnesses, and to cross
2468 examine witnesses presented by the City. The Authority shall have the
2469 power to administer oaths and issue subpoenas to require the presence
2470 of persons and the production of papers, books, and records necessary
2471 to the determination of any hearing that the Authority is authorized to
2472 conduct. The standard of proof at such hearings shall be a
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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; (6 months?)
- (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 a matrix of steps for penalties and/or fines, amounts. That guidance ese factors and matrix will be used consistently for all imposed penalties. ~~The Colorado State Marijuana Enforcement Penalty Schedule may be used as a guide to create the local sentencing schedule.~~

~~(i)~~ (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

2517 all entrances on the premises for the entirety of the suspension or
2518 revocation.

2519
2520 ~~(j)~~(k) When a License has been revoked, no new license shall be issued to
2521 the same Licensee for the period of two years after the revocation.

2522
2523 ~~(k)~~(l) All Licensees are assumed to be fully aware of the law and the City
2524 shall not therefore be required to issue warnings before issuing citations
2525 for violation(s) of this Chapter.

2526
2527 ~~(l)~~(m) If the Authority suspends or revokes a license or imposes a fine ~~in lieu~~
2528 ~~of a suspension of the Licensee~~, the Licensee may appeal the fine,
2529 suspension or revocation to the Mesa County District Court pursuant to
2530 Rule 106(a)(4) of the Colorado Rules of Civil Procedure. The Licensee's
2531 failure to timely appeal the decision is a waiver of the Licensee's right to
2532 contest the fine imposed or the suspension or revocation of the
2533 Licensee.

2534
2535 ~~(m)~~(n) No fee or portion thereof previously paid by a Licensee in connection
2536 with a license shall be refunded if the licensee's license is suspended or
2537 revoked.

2538
2539 **5.13.0449 Remedies.**

2540
2541 The City is specifically authorized to seek an injunction, abatement, restitution, or
2542 any remedy necessary to prevent, enjoin, remove or prosecute any violation or
2543 unlawful act under this Chapter, and any remedies provided for herein shall be
2544 cumulative and not exclusive and shall be in addition to any other remedies
2545 provided by law or in equity. Any and all action(s) shall be filed in the Municipal
2546 Court.

2547
2548 **5.13.0450 No City liability; indemnification.**

2549
2550 (a) By accepting a license issued pursuant to this Chapter, the Licensee waives
2551 and releases the City, its officers, elected officials, employees, attorneys and
2552 agents from any liability for injuries, damages or liabilities of any kind that
2553 result from any arrest or prosecution of business owners, operators,
2554 employees, clients or customers for a violation of municipal, state or federal
2555 laws, rules or regulations.

2556
2557 (b) By accepting a license issued pursuant to this Chapter, all Licensees, jointly
2558 and severally if more than one (1), agree to indemnify, defend and hold
2559 harmless the City, its officers, elected officials, employees, attorneys, agents

