

## ARTICLE 13. MEDICAL MARIJUANA AND RETAIL MARIJUANA

### Section 14-147. PURPOSES, INTENT AND OTHER LAWS

A. The purposes of this Article are to implement the provisions of Article 43.3 of Title 12, C.R.S., known as the Colorado Medical Marijuana Code; to regulate the sale and distribution of marijuana in the interests of patients who qualify to obtain, possess and use marijuana for medical purposes under Article XVIII, Section 14 of the Colorado Constitution; and to implement the provisions of Article 43.4 of Title 12, C.R.S., the Colorado Retail Marijuana Code, which authorizes the licensing and regulation of retail marijuana businesses and affords the City the option to determine whether or not to allow retail marijuana businesses within its jurisdiction and to adopt licensing requirements that are supplemental to or more restrictive than the requirements set forth in state law. The intent of this Article is to establish a nondiscriminatory mechanism by which the City can control, through appropriate regulation, the location and operation of medical marijuana establishments and retail marijuana establishments within the City. Nothing in this Article is intended to promote or condone the sale, distribution, possession or use of marijuana in violation of any applicable law. Compliance with the requirements of this Article shall not provide a defense to criminal prosecution under any applicable law.

B. If the state adopts any stricter regulation governing the sale or distribution of medical or retail marijuana or their respective derivative products than those set forth in this Article, the stricter regulation shall control the establishment or operation of any medical or retail marijuana establishment in the City. A licensee may be required to demonstrate, upon demand by the local licensing authority, or by law enforcement officers, that the source and quantity of any marijuana found upon the licensed premises are in full compliance with applicable state regulation. If the state prohibits the sale or other distribution of medical or retail marijuana, any license issued under this Article concerning the type of marijuana subject to such prohibition shall be deemed immediately revoked by operation of law, with no ground for appeal or other redress by the licensee. The issuance of any license pursuant to this Article shall not be deemed to create an exception, defense or immunity to any person in regard to any potential criminal liability the person may have for the cultivation, possession, sale, distribution or use of medical marijuana or retail marijuana.

### Section 14-148. DEFINITIONS

A. The following words and phrases, when used in this Article, shall have the meanings ascribed to them in this Section:

**Applicant** shall mean any person or entity who has submitted an application for a license or renewal of a license issued pursuant to this Article. If the applicant is an entity and not a natural person, *applicant* shall include all persons have a 10% or more ownership interest in such entity, who is otherwise in control of the marijuana business. (Ord. 3008, Repealed and re-enacted, eff. 10/30/20)

**Colorado Medical Marijuana Code** shall mean Title 12, Article 43.3 of the Colorado Revised Statutes, as amended from time to time, and any rules or regulations promulgated thereunder.

**Colorado Retail Marijuana Code** shall mean Title 12, Article 43.4 of the Colorado Revised Statutes, as amended from time to time, and any rules or regulations promulgated thereunder.

**Consumer** means a person twenty-one (21) years of age or older who purchases marijuana or marijuana products for personal use by a person twenty-one (21) years of age or older, but not for resale to others.

**Cultivation or cultivate** shall mean the process by which a person grows a marijuana plant or plants.

**Industrial hemp** means the plant of the genus *cannabis* and any part of such plant, whether growing or not, with a Delta-9 tetrahydrocannabinol concentration that does not exceed three-tenths percent on a dry weight basis.

**Good cause** (for the purpose of refusing or denying a license or license renewal under this Article) means: (1) the licensee has violated, does not meet, or has failed to comply with any of the terms, conditions or provisions of this Article, of the Colorado Retail Marijuana Code or Colorado Medical Marijuana Code, as applicable, or of any rule and regulation promulgated under either Code, as applicable, or under this Article; (2) the licensee has failed to comply with any special terms or conditions that were placed on its license, whether state or local, at the time the license was issued, or that were placed on its license, whether state or local, in prior disciplinary proceedings or that arose in the context of potential disciplinary proceedings; or (3) the licensee's marijuana establishment has been found to have been operated in a manner that adversely affects the public health, welfare or safety of the immediate neighborhood in which the marijuana establishment is located. Evidence to support such a finding can include: (i) a continuing pattern of offenses against the public peace; (ii) a continuing pattern of drug-related criminal conduct within the premises of the marijuana establishment or in the immediate area surrounding the marijuana establishment; or (iii) a continuing pattern of criminal conduct directly related to or arising from the operation of the marijuana establishment.

**License** shall mean a document issued by the City officially authorizing an applicant to operate a marijuana establishment pursuant to this Article or, if required by the context, means a document issued by the state licensing authority pursuant to the Colorado Medical Marijuana Code or the Colorado Retail Marijuana Code, as applicable.

**Licensee** shall mean the person or entity to whom a license has been issued pursuant to this Article.

**Licensed premises** means the premises specified in an application for a license under this Article, which is owned or in possession of the licensee and within which the licensee is authorized to cultivate, test, manufacture, distribute, or sell retail or medical marijuana or retail or medical marijuana products in accordance with state and local law.

**Marijuana** means all parts of the plant of the genus cannabis whether growing or not, the seeds thereof, the resin extracted from any part of the plant, and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or its resin, including marijuana concentrate. Marijuana does not include industrial hemp, nor does it include fiber produced from the stalks, oil, or cake made from the seeds of the plant, sterilized seed of the plant which is incapable of germination, or the weight of any other ingredient combined with marijuana to prepare topical or oral administrations, food, drink, or other product.

**Marijuana accessories** means any equipment, products, or materials of any kind which are used, intended for use, or designed for use in planting, propagating, cultivating, growing, harvesting, composting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, vaporizing, or containing marijuana, or for ingesting, inhaling, or otherwise introducing marijuana into the human body.

**Marijuana establishment** means a medical marijuana establishment or a retail marijuana establishment.

**Medical marijuana establishment** means a medical marijuana center, an optional premises cultivation operation or a medical marijuana-infused products manufacturer, as defined in the Colorado Medical Marijuana Code.

**Medical marijuana-infused product** means a product infused with medical marijuana that is intended for use or consumption other than by smoking, including but not limited to edible products, ointments, and tinctures. These products, when manufactured or sold by a licensed medical marijuana center or a medical marijuana-infused product manufacturer, shall not be considered a food or drug for the purposes of the "Colorado Food and Drug Act", Part 4 of Article 5 of Title 25, C.R.S.

**Retail marijuana establishment** means a retail marijuana store, a retail marijuana cultivation facility, a retail marijuana products manufacturer or a retail marijuana testing facility, as defined in the Colorado Retail Marijuana Code.

***Retail marijuana products*** means concentrated marijuana products and marijuana products that are comprised of marijuana and other ingredients that are intended for use or consumption, including without limitation to edible products, ointments and tinctures.

***School*** shall mean a public or private preschool or a public or private elementary, middle, junior high or high school.

***State*** shall mean the state of Colorado.

***State licensing authority*** means the authority created by the state of Colorado for the purpose of regulating and controlling the licensing of the cultivation, manufacture, distribution, sale and testing of medical marijuana and retail marijuana in the State of Colorado pursuant to C.R.S. § 12-43.3-201.

In addition to the definitions contained in Subsection (a) of this Section, other terms used in this Article shall have the meaning ascribed to them in Article XVIII, Section 14, of the Colorado Constitution; Article XVIII, Section 16 of the Colorado Constitution; the Colorado Medical Marijuana Code or in the Colorado Retail Marijuana Code, and such definitions are hereby incorporated into this Article by this reference.

#### **Section 14-149. LICENSING AUTHORITY CREATED**

There shall be and is hereby created a Marijuana Licensing Authority hereafter referred to in this Article as the “Authority.”

#### **Section 14-150. COMPOSITION OF THE AUTHORITY**

The Authority shall be the City Council.

#### **Section 14-151. FUNCTIONS OF THE AUTHORITY**

A. Subject to all other requirements of this Article and excepting any delegation of duty and authority, the Authority shall have the duty and authority pursuant to this Article to grant or deny licenses for marijuana establishments and to process applications for new licenses, renewals, transfers of ownership, modifications of premises and changes of location of an existing licensed business.

B. The Authority shall have the power to: (i) promulgate rules and regulations concerning the procedures for hearings before the Authority; (ii) conduct hearings personally or to appoint and designate a Hearing Officer to conduct any hearing; (iii) require any applicant or licensee to furnish any relevant information required by the Authority; and (iv) administer oaths and issue subpoenas to require the presence of persons and the production of papers, books and records at any hearing that the Authority is authorized to conduct. Any such subpoena shall be served in the same manner as a subpoena issued by a district court of the state.

#### **Section 14-152. LICENSE REQUIRED; TERM OF LICENSE; RENEWAL APPLICATION; TAXES**

A. It shall be unlawful for any person to operate any marijuana establishment within the City that has not been licensed by the state licensing authority and the City. It shall further be unlawful for any person to operate any marijuana establishment within the City without first having obtained from the Authority a license for the marijuana establishment. Such licenses shall be kept current at all times and shall be conspicuously displayed at all times in the premises to which they apply. The failure to maintain a current state and City license shall constitute a violation of this Section.

B. Any license issued by the Authority under this Article shall expire one year after it is approved.

C. An application for renewal of an existing license shall be made on forms provided by the Authority. The City Clerk is authorized to administratively process and approve, conditionally approve or deny renewal applications. The City Clerk shall not deny a renewal application unless credible evidence of good cause is presented. The City Clerk may impose reasonable terms and conditions on a license as

may be necessary to protect the public health, safety and welfare or to obtain or ensure compliance with this Article, this Code and applicable state law. The City Clerk shall provide written notice of her/his decision, including the reason(s) therefor, by first-class, postage-prepaid U.S. mail to the Applicant at the address shown in the application. An Applicant may request an additional form of notification by electronic mail or other means, as specifically authorized by the Applicant on the Application. An Applicant whose renewal application is denied or conditionally approved may appeal the Clerk's decision to the Authority by filing written notice of appeal with the City Clerk within ten (10) days of the date of mailing of the decision. The Authority shall conduct a hearing on such appeal in accordance with Section 14-209 of this Article. The standard of approval to be applied by the City Clerk as set forth in this subsection (c) shall also apply to the Authority's review of the Application.

D. At the time of the renewal application, each Applicant shall pay the appropriate fee(s) pursuant to Section 14-214.

E. A licensee shall collect and remit monthly to the City, sales tax on marijuana, retail marijuana products, medical marijuana-infused products, paraphernalia and other tangible personal property sold at retail. A licensee shall also collect and remit any other taxpayer-approved tax, or any valid fee enacted by the City, pursuant to this Code or any state or federal code. All City sales tax, taxpayer-approved tax, or valid fee enacted by the City shall be submitted to the City by the licensee on a monthly basis, submitting the monthly amount due so that it is received in the Finance Office by the twentieth (20th) day of the following month. Any City sales tax, taxpayer-approved tax, or valid fee enacted by the City that is received by the City after the twentieth (20th) day of the following month will be subject to a five percent (5%) late fee. If the twentieth (20th) day falls on any weekend, holiday, or day when City Hall is not open, the amount will be due by the next closest day of business. (Ord. 3008, Repealed and re-enacted, eff. 10/30/20)

F. A license issued pursuant to this Article does not eliminate the need for the licensee to obtain other required permits or licenses related to the operation of the marijuana establishment, including, without limitation, a conditional use permit, a health department permit, and any development approvals or building permits required by any applicable provisions of this Code.

### **Section 14-153. APPLICATION REQUIREMENTS**

A. Prior to making an application for a license pursuant to the provisions of this Article, the person potentially seeking the license shall first attend at least one pre-application meeting with the City Manager and such other City staff designated by the City Manager. The purpose of the pre-application meeting is to advise the potential applicant as to the process for applications under this Article, to answer preliminary questions from the potential applicant, and to provide an opportunity to identify issues that might preclude the issuance of a license pursuant to this Article. A person seeking a license pursuant to the provisions of this Article shall submit an application to the City on forms provided by the City. As a part of any such application, the applicant(s) shall present for recording one (1) of the following forms of identification:

1. An identification card issued in accordance with Section 42-2-302, C.R.S.;
2. A valid state driver's license;
3. A United States military identification card; or
4. A valid passport.

B. The applicant(s) shall also provide the following information on a form provided by the City, which information shall be required for the applicant(s) and the proposed manager of the marijuana establishment:

1. Name, address, date of birth, and other identifying information as may be required;

2. If the applicant is a business 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;
3. A copy of the deed reflecting the applicant's ownership of, or a lease reflecting the right of the applicant to possess, the proposed licensed premises;
4. 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 the particular type of marijuana establishment proposed;
5. Evidence of the issuance of a conditional use permit to conduct the proposed marijuana establishment at the proposed location;
6. Evidence of the issuance of a license by the state licensing authority for the proposed licensed premises for the type of marijuana establishment proposed;
7. If the marijuana establishment will be manufacturing or providing retail marijuana products or medical marijuana-infused products in an edible form, evidence, at a minimum, of a pending application for any food establishment license or permit that may be required by the state and/or Las Animas County;
8. Evidence that all applicable fee(s) have been paid;
9. A description of the projected demand on City utilities and measures relating thereto, including but not limited to:
  - a. Projected water usage;
  - b. Projected volume and content of discharge into the sewer system;
  - c. Any proposed interceptor, filter or other device necessary to prevent harmful materials from entering the City sewer system; and
  - d. An acknowledgement that the Applicant may be required to dedicate water rights to the City, or otherwise provide an approved alternative means of providing water to the licensed premises, if, in the judgment of the Authority, the projected or actual water usage exceeds the City's capacity to serve.
10. Any additional information that the City Clerk reasonably determines to be necessary in connection with the investigation, review and determination of the application.
  - a. Upon receipt of a complete application, the City Clerk shall circulate the application to all affected service areas and departments of the City to determine whether the application is in full compliance with all applicable laws, rules and regulations. The Authority shall not act to approve, conditionally approve or deny an initial license Application until after the Authority has conducted a public hearing thereon in accordance with Section 14-209 of this Article. The Authority shall approve an Application upon a finding that the proposed business complies with the requirements of this Article, this Code and the Colorado Medical Marijuana Code and/or Colorado Retail Marijuana Code, as applicable.
  - b. In a competitive application process in which there are more applicants than there are available licenses, the Authority shall have as a primary consideration whether an Applicant:
    - i. Has prior experience producing or distributing marijuana or marijuana products pursuant to the Colorado Medical Marijuana Code or the Colorado Retail Marijuana Code; the number of state and local licenses for marijuana which the Applicant currently holds; the number of marijuana licenses or conditional use permits in any given geographic area; the benefit to the community and the public good; and
    - ii. Has, during the experience described in paragraph (1) above, complied consistently with all applicable provisions of the Colorado Constitution, Colorado law, state regulations implementing such

state laws, and this Code, as well as previous versions of the local ordinances and Codes regarding Marijuana regulation, as applicable.

iii. The Authority shall determine which of the applicants shall proceed with an application for a Conditional Use Permit (CUP). Only the Applicant selected by the Authority may apply for a Conditional Use Permit in a competitive application process.

c. The Authority may impose reasonable terms and conditions on a license as may be necessary to protect the public health, safety and welfare or to obtain or ensure compliance with this Article, this Code, the Colorado Medical Marijuana Code and/or the Colorado Retail Marijuana Code, as applicable.

d. After approval of an Application, the City Clerk shall not issue a license or license certificate until the building in which the business is to be conducted is ready for occupancy with such furniture, fixtures and equipment in place as are necessary to comply with the applicable provisions of this Article. After approval of an Application, the City Clerk shall not issue a license or license certificate until the Applicant provides written evidence that the Applicant has paid all applicable state and local fees due in connection with the Application. Each license certificate issued by the City pursuant to this Article shall specify the date of issuance, the period of licensure, the name of the licensee, and the premises licensed.

#### **Section 14-154. DENIAL OF APPLICATION**

The Authority shall deny any application that does not meet the requirements of this Article. The Authority shall deny any application that contains any false, misleading or incomplete information. The Authority shall deny an application for good cause. Denial of an application for a license by the Authority shall not be subject to further review but shall be subject to review by a court of competent jurisdiction.

#### **Section 14-155. HEARINGS REQUIRED**

A. The Authority shall conduct a public hearing on any Application submitted under this Article for a new license or change of location of an existing licensed marijuana establishment and on any appeal of a decision on an Application rendered by the City Clerk in accordance with this Article.

B. Notice of the hearing shall be posted and published once in a newspaper of general circulation within the City at least ten (10) days before the hearing. Such notice shall describe the type of Application submitted, the date of Application, the name and address of the Applicant, the names and addresses of the officers, directors, or manager of the facility to be licensed, the existing or proposed location of the marijuana establishment, as appropriate, and the date, time and place the hearing will be conducted. Posted notice shall be by a sign in a conspicuous place on the proposed licensed premises, which sign shall comply with the requirements of C.R.S. § 12-43.3-302(2).

C. The Authority shall issue a written decision approving, conditionally approving or denying an Application requiring a public hearing within thirty (30) days of the conclusion of the hearing. The written decision shall state the reason(s) for the decision and be sent by certified mail to the Applicant at the address shown in the application. An Applicant may request an additional form of notification by electronic mail or other means, as specifically authorized by the Applicant on the Application. In addition, the Authority shall promptly notify the state licensing authority of its action on an Application for local licensure.

#### **Section 14-156. TRANSFERS OF OWNERSHIP; MODIFICATION OF PREMISES**

A. The City Clerk is authorized to administratively process and approve, conditionally approve or deny Applications from existing locally-licensed marijuana establishments to transfer or change ownership or to modify the licensed premises. The City Clerk may elect to refer any application to the Authority for decision, even when such application is eligible for administrative approval, in her/his discretion.

B. The City Clerk shall approve an Application filed pursuant to this Section unless credible evidence of good cause is presented or unless the Clerk refers the application to the Authority, as an

exercise of his or her discretion, as authorized by Subsection A. above. The City Clerk may impose reasonable terms and conditions on the approval of an Application filed pursuant to this Section as may be necessary to protect the public health, safety and welfare or to obtain or ensure compliance with this Article, this Code and applicable state law.

C. The City Clerk shall provide written notice of her/his decision, including the reason(s) therefor, by first-class, postage-prepaid U.S. mail to the Applicant at the address shown in the application. An Applicant may request an additional form of notification by electronic mail or other means, as specifically authorized by the Applicant on the Application. An Applicant whose Application is denied or conditionally approved under this Section may appeal the Clerk's decision to the Authority by filing written notice of appeal with the City Clerk within ten (10) days of the date of mailing of the decision. The Authority shall conduct a hearing on such appeal in accordance with Section 14-209 of this Article. The standard of approval to be applied by the City Clerk as set forth in subsection (b) above shall also apply to the Authority's review of the Application.

#### **Section 14-157. LOCATIONAL CRITERIA AND NUMERICAL LIMIT ON RETAIL MARIJUANA STORES AND MEDICAL MARIJUANA CENTERS**

A. A marijuana establishment shall be operated from a permanent, fixed location and, except as further limited in this Section, within a zone district of the City that allows for the type of use(s) to be conducted by the marijuana establishment. No marijuana establishment shall be permitted to operate from a moveable, mobile or transitory location. The suitability of a location for a marijuana establishment shall be determined at the time of the issuance of the first license. The fact that later changes in the neighborhood occur that may render the site unsuitable for a marijuana establishment shall not be grounds to suspend, revoke or refuse to renew the license. No marijuana establishment shall be issued a license if, at the time of application for such license, the proposed location is within 1,000 feet of any school, as that term is defined by Section 14-202 of this Code.

B. The distance limitation set forth in Subsection (a) above shall be computed by direct measurement in a straight line from the nearest property line of the lot used for a school to the nearest property line of the lot on which the new marijuana establishment is proposed to be located.

C. Consistent with the other requirements of this Section, a marijuana establishment may locate within the following zone districts within the City as a conditional use upon obtaining the necessary conditional use permit in accordance with this Chapter 14: CC, Community Commercial; I, Industrial; and HP, Corazon De Trinidad Historical Preservation District. Location of a marijuana establishment in any zone district not listed in this subsection (c) is expressly prohibited.

D. Retail Marijuana Cultivation Facility that exceeds 10,000 square feet shall only be allowed in the Industrial zone district north of Kit Carson Bypass/Exit 15 on Interstate 25.

E. The locational criteria contained in this section shall apply to all proposed changes in the location of an existing license.

F. Any provisions of this Code concerning home occupations notwithstanding, no marijuana establishment shall be located in any residential zoning district.

G. No proposed retail marijuana store or medical marijuana center shall be issued a license or a conditional use permit, nor shall an application for a license or conditional use permit be accepted by the City Council or Planning, Zoning, and Variance Commission, if the proposed location, if approved, will exceed the maximum number of locations permitted in the City. The limitation of this paragraph on the maximum number of retail marijuana stores and medical marijuana centers shall not be applied so as to effect licenses or conditional use permits, in existence or applied for, as of May 1, 2016, nor the renewal of such licenses.

1. The maximum total number of retail marijuana stores and medical marijuana centers when counted together in the City shall not exceed twenty (20) locations. The limitation of this paragraph on the

maximum number of retail marijuana stores and medical marijuana centers shall not be applied so as to effect licenses or conditional use permits, in existence or applied for, as of May 1, 2016, nor the renewal of such licenses.

#### **Section 14-158. MARIJUANA CULTIVATION OUTDOORS**

A. All marijuana cultivation which occurs outdoors or outside of any structure shall be limited to occur only in the City of Trinidad Industrial Park, properties zoned Agricultural, or properties which had conditional use permits for outdoor cultivation applied for or approved at the effective date of this ordinance.

#### **Section 14-159. INSPECTION OF LICENSED PREMISES**

During all business hours and other times of apparent activity, all licensed premises shall be subject to inspection by the Authority, the City Manager, Chief of Police, the Fire Chief, the Building Official, or the authorized representative of any of them, for the purpose of investigating and determining compliance with the provisions of this Article and any other applicable state or local law or regulation. Such inspection may include, but need not be limited to, the inspection of books, records and inventory. Where any part of the premises consists of a locked area, such area shall be made available for inspection, without delay, upon request.

#### **Section 14-160. FEES**

The following fees are required at time of application:

A. For medical marijuana establishments:

1. Annual Licensing Fee, non-refundable is \$ 1,000 (due with initial application and with each subsequent renewal).

B. For retail marijuana establishments:

1. Annual operating fee, non-refundable is \$ 1,000 (due with initial application and with each subsequent renewal).

C. Cultivation Fee on Retail Marijuana:(Ord. 3008, Repealed and re-enacted, eff. 10/30/20)

1. All retail marijuana cultivated inside the City Limits of the City of Trinidad shall be subject to a \$25 per pound fee due to the City for each cultivated pound produced in a Retail Marijuana Cultivation Facility. This fee shall be dedicated to infrastructure maintenance, repair, replacement, expansion, or new infrastructure systems, to include City Utilities and Public Works. Said fee shall be due and payable monthly by the 20th of each month to the Department of Finance.

If in any month, a Retail Marijuana Cultivation Facility licensee transfers marijuana, as defined in Colorado state law, payment of the City's Cultivation Fee shall be paid to the City at a rate of \$25.00 per pound, measured to four decimal places. The filing of said fee shall be accompanied by the City's remittance report and a copy of the State harvest and transfer reports (currently generated through metrc®). If no retail marijuana is transferred in a given month, submission of the monthly harvest and transfer reports is still required to be submitted to the City of Trinidad. Any Retail Marijuana Cultivation Facility that fails to submit the required reports each month or that fails to pay the Cultivation Fee in any month where a transfer has occurred, is in violation of this Article.

All Retail Marijuana Cultivation Facility licensees are required to provide the City Manager or his/her designee access to their operations for physical observation of the same and shall provide access to all financial and inventory records for auditing purposes. The reports submitted by licensees shall be confidential.



2. All City sales tax, taxpayer-approved tax, or valid fee enacted by the City shall be submitted to the City by the licensee on a monthly basis, submitting the monthly amount due so that it is received in the Finance Office by the twentieth (20th) day of the following month. Any City sales tax, taxpayer-approved tax, or valid fee enacted by the City that is received by the City after the twentieth (20th) day of the following month will be subject to a five percent (5%) late fee. If the twentieth (20th) day falls on any weekend, holiday, or day when City Hall is not open, the amount will be due by the next closest day of business.

#### **Section 14-161. PROHIBITED ACTS GENERALLY**

It is unlawful for any licensee to:

- A. Permit the use or consumption, in any manner, of marijuana products on the licensed premises.
- B. Permit the consumption of alcohol beverages, as defined in the Colorado Liquor Code, on the licensed premises;
- C. Purchase or otherwise obtain marijuana, retail marijuana products or medical marijuana-infused products from a source that is not properly authorized under state and local law to sell or dispense the same;
- D. Dispense marijuana products to a person that is or appears to be under the influence of alcohol or under the influence of any controlled substance, including marijuana.

#### **Section 14-162. ADDITIONAL OPERATIONAL LIMITATIONS**

- A. No marijuana shall be given away, transferred, sold, or otherwise exchanged or transacted at a marijuana establishment, except to a person authorized to possess the same under the laws and Constitution of Colorado.
- B. Plants, products, accessories, and associated paraphernalia shall not be visible from a public sidewalk or right-of-way. All products shall be in a sealed/locked cabinet except when being accessed for distribution.
- C. A marijuana establishment shall not exceed its projected demand on City utilities, as stated in its application, or as amended during the application process, without the written approval of the City Utilities Director, who shall issue such approval upon a finding that the proposed increase in demand will not compromise the City's ability to safely and adequately serve all customers of the City utilities.

#### **Section 14-163. OFF-SITE STORAGE FACILITIES PROHIBITED**

It shall be unlawful to locate any off-site marijuana storage facility within the City.

#### **Section 14-164. NONRENEWAL, SUSPENSION OR REVOCATION OF LICENSE**

- A. The City Clerk may suspend, revoke or refuse to renew a license for good cause.
  - 1. Temporary-Summary Suspension.
    - a. Where the City Clerk has reasonable grounds to believe and finds that a licensee has been guilty of a deliberate and willful violation of any applicable law or regulation or that the public health, safety or welfare imperatively requires emergency action and incorporates such findings in its order, it may temporarily or summarily suspend the license pending proceedings for suspension or revocation which shall be promptly instituted and determined.
    - b. The temporary suspension of a license without notice pending any prosecution, investigation, or public hearing shall be for a period not to exceed fifteen days.

B. The City Clerk shall not suspend or revoke a license until after notice and an opportunity for hearing has been provided to the licensee. The hearing will be noticed and conducted in accordance with Section 14-155, and held by the Authority.

C. The Authority shall not hold a hearing on a license renewal application unless a complaint has been filed concerning the licensee or there are allegations against the licensee that, if established, would be grounds for suspension, revocation or non-renewal under Subsection (a) of this Section.

#### **Section 14-165. VIOLATIONS AND PENALTIES**

In addition to the possible denial, suspension, revocation or nonrenewal of a license under the provisions of this Article, any person, including but not limited to any licensee, manager or employee of a marijuana establishment, or any customer of such business, who violates any provision of this Article, shall be guilty of a misdemeanor punishable in accordance with Section 1-8 of this Code.

#### **Section 14-166. NO CITY LIABILITY; INDEMNIFICATION; NO DEFENSE**

A. By accepting a license issued pursuant to this Article, the licensee waives any claim concerning, and releases the City, its officers, elected officials, employees, attorneys and agents from, any liability for injuries or damages of any kind that result from any arrest or prosecution of business owners, operators, employees, clients or customers of the licensee for a violation of state or federal laws, rules or regulations.

B. By accepting a license issued pursuant to this Article, all licensees, jointly and severally if more than one (1), agree to indemnify, defend and hold harmless the City, its officers, elected officials, employees, attorneys, agents, insurers and self-insurance pool against all liability, claims and demands on account of any injury, loss or damage, including without limitation claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage, or any other loss of any kind whatsoever arising out of or in any manner connected with the operation of the marijuana establishment that is the subject of the license.

C. The issuance of a license pursuant to this Article shall not be deemed to create an exception, defense or immunity for any person in regard to any potential criminal liability the person may have under state or federal law for the cultivation, possession, sale, distribution or use of marijuana.

**Section 14-167. RESERVED.**

**Section 14-168. RESERVED.**

**Section 14-169. RESERVED.**