

ARTICLE II. - MARIJUANA ESTABLISHMENTS

Sec. 6-301. - Purpose and legislative intent.

Sections 14 and 16 of article XVIII of the Colorado Constitution and C.R.S. tit. 44, arts. 11 and 12 afford to localities the option of licensing marijuana establishments within their respective jurisdictions. The purpose of this article is to authorize licensing, and regulating marijuana related establishments in the city pursuant to the requirements of state law and this article, and designate a local licensing authority to issue and process applications submitted for such licenses within the city. This article is adopted pursuant to the aforementioned constitutional and statutory authority, as well as the city's plenary authority as a home rule city to adopt and enforce ordinances under its police power in order to preserve the public health, safety, and general welfare.

([Ord. No. 2014-14](#), § 2, 5-12-2014; [Ord. No. 2017-28](#), § 1, 8-7-2017; Ord. No. [2019-32](#), § 2, 7-15-2019)

Sec. 6-302. - Definitions.

The definitions set forth in subsections 14(1) and 16(2) of article XVIII of the Colorado Constitution, as well as the definitions in the Colorado Medical Marijuana Code, the Department of Revenue Marijuana Enforcement Division Medical Marijuana Rules, 1 CCR 212-1, M 103, the Colorado Retail Marijuana Code, and the Department of Revenue Marijuana Enforcement Division Retail Marijuana Rules, 1 CCR 212-2, R 103, as amended, shall apply equally to this article except where specifically defined below:

Applicant means any person who has submitted an application for a license or renewal of license, pursuant to this article, that was accepted by the local licensing authority for review but has not been approved or denied by the local licensing authority and/or the state licensing authority.

Centralized distribution permit is a permit issued by the state licensing authority to a licensed retail marijuana cultivation facility authorizing the temporary storage of retail marijuana concentrate and retail marijuana products on the retail marijuana cultivation facility's licensed premises for the sole purpose of transfer to the permit holder's commonly owned retail marijuana stores.

City or the city means the City of Aurora, Colorado.

Colorado Medical Marijuana Code means C.R.S. tit. 44, art. 11, as amended.

Colorado Retail Marijuana Code means C.R.S. tit. 44, art. 12, as amended.

Finance director means the finance director or the director of finance of the city or his or her designee.

Good cause for purposes of approving, refusing or denying the issuance or renewal of a license means:

- (1) The licensee or applicant has violated, does not meet, or has failed to comply with any of the terms, conditions, or provisions of the Colorado Medical Marijuana Code, the Colorado Retail Marijuana Code, the City Code, any rule and regulation adopted pursuant thereto, or any supplemental relevant state or local law, rule or regulation related to the cultivation, processing, manufacture, storage, sale, distribution, transportation, testing, research, or consumption of any form of marijuana;
- (2) The licensee or applicant has failed to comply with any special term or condition placed on the license by order of the state licensing authority or the local licensing authority;
- (3) Evidence the licensee's licensed premises have been operated in a manner that adversely affects the public health, safety or the general welfare of the city or the immediate neighborhood where the establishment is located, which evidence may include a continuing pattern of violations of the Colorado Medical Marijuana Code, the Colorado Retail Marijuana Code, the

City Code or terms and conditions of a license issued pursuant to this article, a continuing pattern of unlawful or violent activity occurring in the location and in association with the operation of the business; or

- (4) Evidence the applicant or licensee, or any officer, director, owner, manager, agent or employee of the licensee is not of good moral character.

Good moral character means an individual who has a personal history demonstrating honesty, fairness, and respect for the rights of others and for conformance to the law which may include considerations of whether an individual has:

- (1) Ever had a professional license denied, suspended, or revoked;
- (2) Ever had a business license denied, suspended, or revoked;
- (3) Ever surrendered, been denied, or had any type of marijuana related business license placed on an administrative hold, suspended or revoked;
- (4) Ever been denied any type of marijuana related business license;
- (5) Ever had a business temporarily or permanently closed for failure to comply with any tax, health, building, fire, zoning or safety law;
- (6) Ever had an administrative, civil or criminal finding of delinquency for failure to file or failure to pay sales or use taxes or any other taxes;
- (7) Ever been convicted of a crime of moral turpitude; or
- (8) Within the previous five years been convicted of any misdemeanor, petty offense or any local ordinance violation related to the cultivation, processing, manufacture, storage, sale, distribution, transportation, testing, research, or consumption of any form of marijuana, drug or controlled substance; or within the previous ten years been convicted of a non-drug related felony; or, at any time, been convicted of a felony related to the cultivation, processing, manufacture, storage, sale, distribution, transportation, testing, research, or consumption of any form of marijuana, drug or controlled substance.

Hospital means an institution which has been licensed, certified, or approved by the Colorado Department of Public Health and Environment as a hospital, and includes hospitals in Colorado operated by the federal government.

In-charge employee means the individual designated by the owner of the marijuana establishment as the person responsible for all operations of the business in the absence of the owner from the licensed premises. In-charge employees shall have access to lock and unlock doors, lock and unlock safes, arm and disarm the alarm, have access to the video surveillance equipment and who can operate and access past footage and produce still color photos from the on-site, as well as the off-site video surveillance equipment upon request.

License means to grant a revocable privilege to lawfully operate in the city a marijuana related business activity authorized pursuant to the Colorado Medical Marijuana Code, the Colorado Retail Marijuana Code and this article.

Licensed premises means the premises specified in an application for a license or permit authorized pursuant to the Colorado Medical Marijuana Code, the Colorado Retail Marijuana Code, and this article, which are owned or in the possession of the licensee and within which the licensee is authorized to cultivate, manufacture, distribute, research, sell, store, transport, or test marijuana, marijuana products, and marijuana concentrates in accordance with all applicable laws.

Licensee means any person licensed or granted a permit pursuant to the Colorado Medical Marijuana Code, or the Colorado Retail Marijuana Code, and this article.

Liquid assets means assets that can be readily converted into cash, and includes assets that will be placed directly into the retail marijuana store. Liquid assets include, but are not limited to, the following: funds in checking or savings accounts, certificates of deposit, money market accounts, mutual fund shares, publicly traded stocks, United States savings bonds, furniture and equipment, packaged

marijuana, and related products and inventory to be transferred to the retail marijuana store. "Liquid assets" does not mean household items, vehicles, marijuana plants, and real property and improvements thereto.

Local licensing authority means the manager of the Aurora Marijuana Enforcement Division of the city, or his or her designee.

Marijuana means "medical marijuana" as defined in C.R.S. § 44-11-104 and Colorado Department of Revenue Medical Marijuana Enforcement Division Medical Marijuana Rules, (1 CCR 212-1), or "retail marijuana" as defined in C.R.S. § 44-12-103 and Colorado Department of Revenue Marijuana Enforcement Division Retail Marijuana Rules, (1 CCR 212-2).

Marijuana concentrate means "medical marijuana concentrate" as defined in C.R.S. § 44-11-104 and Colorado Department of Revenue Medical Marijuana Enforcement Division Medical Marijuana Rules, (1 CCR 212-1), or "retail marijuana concentrate" as defined in C.R.S. § 44-12-103 and Colorado Department of Revenue Marijuana Enforcement Division Retail Marijuana Rules, (1 CCR 212-2).

Marijuana cultivation facility means an "optional premises cultivation operation" as defined in C.R.S. § 44-11-104 and Colorado Department of Revenue Medical Marijuana Enforcement Division Medical Marijuana Rules, (1 CCR 212-1), or a "retail marijuana cultivation facility" as defined in C.R.S. § 44-12-103 and Colorado Department of Revenue Marijuana Enforcement Division Retail Marijuana Rules, (1 CCR 212-2).

Marijuana establishment means a medical marijuana-infused product manufacturer, an optional premises cultivation operation, a marijuana testing facility, a medical marijuana transporter, as defined in C.R.S. § 44-11-104 and Colorado Department of Revenue Medical Marijuana Enforcement Division Medical Marijuana Rules, (1 CCR 212-1), a marijuana research and development licensee or a marijuana research and development cultivation licensee as used in C.R.S. § 44-11-408 and Colorado Department of Revenue Medical Marijuana Enforcement Division Medical Marijuana Rules, (1 CCR 212-1), a "retail marijuana establishment" as defined in C.R.S. § 44-12-103 and Colorado Department of Revenue Marijuana Enforcement Division Retail Marijuana Rules, (1 CCR 212-2), or the licensed premises for a state issued centralized distribution permit holder as used in C.R.S. § 44-12-403 and Colorado Department of Revenue Marijuana Enforcement Division Retail Marijuana Rules, (1 CCR 212-2).

Marijuana operator means a "medical marijuana business operator" as defined in C.R.S. § 44-11-104 and Colorado Department of Revenue Medical Marijuana Enforcement Division Medical Marijuana Rules, (1 CCR 212-1), or a "retail marijuana business operator" as defined in C.R.S. § 44-12-103 and Colorado Department of Revenue Marijuana Enforcement Division Retail Marijuana Rules, (1 CCR 212-2).

Marijuana product means "medical marijuana-infused product" as defined in C.R.S. § 44-11-104 and Colorado Department of Revenue Medical Marijuana Enforcement Division Medical Marijuana Rules, (1 CCR 212-1), or "retail marijuana product" as defined in C.R.S. § 44-12-103 and Colorado Department of Revenue Marijuana Enforcement Division Retail Marijuana Rules, (1 CCR 212-2).

Marijuana product manufacturer means a "medical marijuana-infused products manufacturer" as defined in C.R.S. § 44-11-104 and Colorado Department of Revenue Medical Marijuana Enforcement Division Medical Marijuana Rules, (1 CCR 212-1), or a "retail marijuana products manufacturer" as defined in C.R.S. § 44-12-103 and Colorado Department of Revenue Marijuana Enforcement Division Retail Marijuana Rules, (1 CCR 212-2).

Marijuana testing facility means a "medical marijuana testing facility" as defined in Colorado Department of Revenue Medical Marijuana Enforcement Division Medical Marijuana Rules, (1 CCR 212-1), or a "retail marijuana testing facility" as defined in C.R.S. § 44-12-103 and Colorado Department of Revenue Marijuana Enforcement Division Retail Marijuana Rules, (1 CCR 212-2).

Marijuana transporter means a "medical marijuana transporter" as defined in C.R.S. § 44-11-104 and Colorado Department of Revenue Medical Marijuana Enforcement Division Medical Marijuana Rules, (1 CCR 212-1), or a "retail marijuana transporter" as defined in C.R.S. § 44-12-103 and Colorado Department of Revenue Marijuana Enforcement Division Retail Marijuana Rules, (1 CCR 212-2).

Medical marijuana center has the same meaning as "medical marijuana center" as defined in C.R.S. § 44-11-104 and Colorado Department of Revenue Medical Marijuana Enforcement Division Medical Marijuana Rules, (1 CCR 212-1).

Operating fees means fees that may be charged by the city for costs including but not limited to inspection, administration, and enforcement of marijuana establishments authorized pursuant to subsection 16(5)(f) of article XVIII of the Colorado Constitution, the Colorado Medical Marijuana Code, the Colorado Retail Marijuana Code, the City Code and any of the rules and regulations adopted pursuant thereto.

Owner means the person or persons whose beneficial interest in a local marijuana establishment license that bears a risk of loss other than as an insurer, has an opportunity to gain profit from the operation or sale of the establishment, and has a controlling interest in a marijuana establishment license and includes any other person that qualifies as an owner pursuant to 1 CCR 212-1, Rules M 103 and M 204 and 1 CCR 212-2, Rules R 103 and R 204.

Substance abuse treatment center means any facility providing care to patients as set forth in 2 CCR 502-21:210.54—59.

Ward means one of the sections into which the city is divided for the purposes of a council election as designated pursuant to the requirements of section 54-5 of this Code.

([Ord. No. 2014-14](#), § 2, 5-12-2014; [Ord. No. 2016-15](#), § 1, 6-20-2016; [Ord. No. 2017-28](#), § 2, 8-7-2017; Ord. No. [2019-32](#), § 3, 7-15-2019)

Sec. 6-303. - Effective date; applicability.

This article shall be effective on July 1, 2014, and shall govern all applications submitted to the city for any license authorized by the Colorado Medical Marijuana Code, or the Colorado Retail Marijuana Code and this article on and after that date.

([Ord. No. 2014-14](#), § 2, 5-12-2014; [Ord. No. 2016-15](#), § 2, 6-20-2016; [Ord. No. 2017-28](#), § 3, 8-7-2017; Ord. No. [2019-32](#), § 4, 7-15-2019)

Sec. 6-304. - Local licensing authority.

- (a) For the purpose of regulating and controlling the licensing and sale of marijuana in the city, there is hereby created the local licensing authority.
- (b) The local licensing authority has the authority to grant or refuse a license authorized by this article as well as ordering special terms and conditions on licenses, without the need for a public hearing.
- (c) The local licensing authority may promulgate such rules and regulations as he or she deems necessary for the proper administration and enforcement of this article, and may exercise all other powers and duties as are set forth in the Colorado Retail Marijuana Code, subsection 5(e) of section 16 of article XVIII of the Colorado Constitution, the Colorado Department of Revenue Marijuana Enforcement Division Retail Marijuana Rules, (1 CCR 212-2), the Colorado Medical Marijuana Code, section 14 of article XVIII of the Colorado Constitution, the Colorado Department of Revenue Medical Marijuana Enforcement Division Medical Marijuana Rules, (1 CCR 212-1), the City Code and any rule or regulation adopted pursuant thereto.
- (d) Under any and all circumstances in which state law requires communication to the city by the state licensing authority or any other state agency in regard to any license authorized by this article, or in which state law requires any review or approval by the city of any action taken by the state licensing authority, the exclusive authority for receiving such communications and granting such approvals shall be exercised by the local licensing authority.

- (e) The local licensing authority has the authority to issue subpoenas to require the presence of persons and the production of papers, books, and records necessary to the determination of any hearing the finance director is authorized to conduct.
- (f) The local licensing authority has the authority to summarily suspend a license issued pursuant to this article without notice pending any prosecution or public hearing for a period not to exceed 15 days when the local licensing authority determines a licensee or an agent or employee of the licensee has committed a deliberate and willful violation of the Marijuana Medical Code, the Colorado Department of Revenue Medical Marijuana Enforcement Division Medical Marijuana Rules, (1 CCR 212-1), the Retail Marijuana Code, the Colorado Department of Revenue Marijuana Enforcement Division Retail Marijuana Rules, (1 CCR 212-2), the City Code, or any rule and regulation related to the cultivation, processing, manufacture, storage, sale, distribution, transportation, testing, research or consumption of any form of marijuana, or when the public health, safety or welfare imperatively requires emergency action, and incorporates such findings in the notice for a public hearing before the finance director on the matter.

([Ord. No. 2014-14](#), § 2, 5-12-2014; [Ord. No. 2016-15](#), § 3, 6-20-2016; [Ord. No. 2017-28](#), § 4, 8-7-2017; Ord. No. [2019-32](#), § 5, 7-15-2019)

Sec. 6-305. - Relationship to Colorado Medical Marijuana Code, Colorado Retail Marijuana Code; other laws.

Except as otherwise specifically provided herein, this article incorporates the requirements and procedures set forth in the Colorado Medical Marijuana Code, the Colorado Department of Revenue Medical Marijuana Enforcement Division Medical Marijuana Rules, (1 CCR 212-1), the Colorado Retail Marijuana Code, and the Colorado Department of Revenue Medical Marijuana Enforcement Division Medical Marijuana Rules, (1 CCR 212-1). In the event of a conflict between the provisions of this article and the provisions of the Colorado Medical Marijuana Code or the Colorado Retail Marijuana Code or any other applicable state or local law, the more restrictive provision shall control. Licensees shall comply with, and conduct their business in compliance with, all applicable state and local laws, rules and regulation, and the terms and conditions of their license.

([Ord. No. 2014-14](#), § 2, 5-12-2014; [Ord. No. 2016-15](#), § 4, 6-20-2016; [Ord. No. 2017-28](#), § 5, 8-7-2017; Ord. No. [2019-32](#), § 6, 7-15-2019)

Sec. 6-306. - Classes of licensing authorized.

The local licensing authority may issue the following licenses authorized by the Colorado Medical Marijuana Code and the Colorado Retail Marijuana Code:

- (1) Retail marijuana store license.
- (2) Retail marijuana cultivation facility license.
- (3) Retail marijuana product manufacturing facility license.
- (4) Retail marijuana testing facility license.
- (5) Medical marijuana testing facility license.
- (6) Retail marijuana transporter license.
- (7) Optional premises cultivation license.
- (8) Medical marijuana-infused product manufacturing license.
- (9) Medical marijuana transporter license.
- (10) Marijuana research and development license.

(11) Marijuana research and development cultivation license.

([Ord. No. 2014-14](#), § 2, 5-12-2014; [Ord. No. 2016-15](#), § 5, 6-20-2016; [Ord. No. 2017-28](#), § 6, 8-7-2017; Ord. No. [2019-32](#), § 7, 7-15-2019)

Sec. 6-307. - License required.

- (a) It shall be unlawful for any person to operate a marijuana establishment in the city without a license to operate issued pursuant to the requirements of this article while concurrently holding a license in good standing from the state.
- (b) The license requirement set forth in this article shall be in addition to, and not in lieu of, any other licensing and permitting requirements imposed by any other federal, state, or local law, including, by way of example, a retail sales and use tax license or any applicable zoning or building permit.
- (c) The issuance of any license pursuant to this article does not create an exception, defense, or immunity to any person in regard to any potential criminal liability the person may have for the production, distribution, storage, transportation or possession of marijuana.

([Ord. No. 2014-14](#), § 2, 5-12-2014; [Ord. No. 2016-15](#), § 6, 6-20-2016; [Ord. No. 2017-28](#), § 7, 8-7-2017; Ord. No. [2019-32](#), § 8, 7-15-2019)

Sec. 6-308. - General licensing requirements.

- (a) *Applications.* All applications for any license authorized by this article shall be submitted to the local licensing authority upon forms provided by the local licensing authority and shall include such supplemental materials as required by the Colorado Medical Marijuana Code, the Colorado Retail Marijuana Code, and any of the rules and regulations adopted pursuant thereto. To the extent any of the foregoing supplemental materials have been included with the applicant's state license application and forwarded to the city by the state licensing authority, the local licensing authority may rely upon the information forwarded from the state without requiring resubmittal of the same materials in conjunction with the local license application. The local licensing authority may, at the authority's discretion, require additional documentation associated with the application as may be necessary to enforce the requirements of the Colorado Medical Marijuana Code, the Colorado Retail Marijuana Code and the City Code.
- (b) *Complete applications.* For purposes of this article an application for a license authorized by this article shall not be considered complete until the local licensing authority has:
 - (1) Determined that all requirements of the application have been provided to the city;
 - (2) Received the local share of the application fee from the state and operating fee as authorized in this article; and
 - (3) Obtained all other information the local licensing authority determines necessary to make a decision whether to approve or deny the license application, or approve it with conditions.
- (c) *Review.* The local licensing authority shall consider each application for a license authorized by this article.
- (d) *Initial approval or denial.* Upon receipt of an application for a license authorized by this article the local licensing authority shall:
 - (1) Determine, in consultation with the planning department, whether or not 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 the City Code. If the local licensing authority makes an initial determination that the proposed license would be in violation of any zoning law or other restriction on location set forth in the City Code, the local licensing authority shall, no later than

45 days from the date the application was originally received by the local licensing authority, notify the state licensing authority and the applicant in writing that the application is disapproved by the city. The failure of the local licensing authority to make such a determination upon the initial review of the application shall not preclude the local licensing authority from later determining that proposed license is in violation of city zoning laws or any other restriction on location set forth in the City Code, and disapprove the issuance of a city license on this basis.

- (2) For any application that is initially approved, as provided in paragraph (1) of this subsection (d), the local licensing authority shall notify the state licensing authority and the applicant in writing that the city's ultimate decision to approve or disapprove the issuance of the city license is subject to the completion of the local licensing process as set forth in the City Code, after which the city will notify the state licensing authority in writing of whether or not the license proposed in the application has or has not been approved by the city.
- (e) *Good moral character.* Prior to issuance of a license authorized by this article, the local licensing authority shall make a finding and determination as to the good moral character of the applicant, the licensee, the officers, directors, owners, agents and employees in accordance with the standards and procedures set forth in the Colorado Medical Marijuana Code, the Colorado Retail Marijuana Code, and this article and the rules and regulations adopted pursuant thereto.
- (f) *Separate licenses.* A separate license shall be required for each class of marijuana establishment license authorized by this article and each marijuana establishment geographic location as established by different street addresses.
- (g) *Issuance of a license.* If after investigation the local licensing authority determines that:
 - (1) The applicant has met all the terms, conditions, provisions, and requirements imposed upon the applicant or the licensee by the applicable provisions of the Colorado Medical Marijuana Code, the Colorado Retail Marijuana Code, or the City Code and all the rules and regulations adopted pursuant thereto, and all applicable building, fire, health or zoning statutes, codes, ordinances, rules, or regulations adopted pursuant thereto related to the cultivation, processing, manufacture, storage, sale, distribution, testing, research, transporting, or consumption of any form of marijuana;
 - (2) The license application is complete and all requested supplemental documentation has been provided;
 - (3) The license application contains no fraudulent, misrepresented, or false statements of a material or relevant fact;
 - (4) All fees and late charges, if any, have been paid;
 - (5) The applicant has timely filed all tax returns as required by law in relation to the business for which the license is sought;
 - (6) The applicant is not overdue on his or her payment to the city of any taxes, fines, interest, penalties or collections costs assessed against or imposed upon such applicant in relation to the business for which the license is sought;
 - (7) 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;
 - (8) 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 have no felony convictions in the last ten years, no drug related local ordinance, petty offense, or misdemeanor convictions in the last five years, and no drug related felony convictions;
 - (9) The applicant has made all the improvements to the licensed premises as required by the City Code or has an improvement implementation plan and timeline to make non-essential improvements to the premises or location approved by the local licensing authority; and
 - (10) The applicant is reasonably likely to begin operating the business within one year of the issuance of the license; then the local licensing authority shall issue the license sought, with or

without terms and conditions being ordered upon the license, to the applicant for the use and the location identified in the license application as the situs of the business and notify the state the applicant has been issued a license.

- (h) *Denial of application.* Each of the following, in and of itself, constitutes full and adequate grounds for denying an application:
- (1) The applicant has not paid all applicable fees required by this article;
 - (2) The applicant has violated, does not meet, or has failed to comply with any provision of the applicable provisions in the Colorado Medical Marijuana Code, the Colorado Retail Marijuana Code, or the City Code or the rules and regulations adopted pursuant thereto, or any other applicable building, fire, health or zoning statute, code, ordinance, rule, or regulation adopted pursuant thereto related to the cultivation, processing, manufacture, storage, sale, distribution, testing, research, transporting, or consumption of any form of marijuana;
 - (3) The application contains false, misleading, or incomplete information;
 - (4) The applicant, or an officer, director, other owner, agent, employee, or any person having a direct or indirect financial interest in the business are not of good moral character after considering the factors in C.R.S. § 24-5-101(2);
 - (5) The applicant is not reasonably likely to commence, operations within one year of the issuance of the license by the state;
 - (6) The applicant, or an officer, director, other owner, agent or employee, or any person having a direct or indirect financial interest in the marijuana establishment, has a felony conviction in the last ten years, or a drug related local ordinance, petty offense, or misdemeanor conviction in the last five years, or a drug related felony conviction;
 - (7) The applicant has failed to file any tax return as required by law in relation to the marijuana establishment for which the license is sought;
 - (8) The applicant is overdue on his or her payment to the city of any taxes, interest, penalties, and collection costs assessed against or imposed upon such applicant or licensee in relation to the marijuana establishment for which the license is sought;
 - (9) For good cause; and
 - (10) The applicant employs or intends to employ a person who has not submitted fingerprints for a criminal background check.
- (i) *Notice of denial.* If after investigation the local licensing authority determines that the application will be denied then the local licensing authority shall:
- (1) Deny the application based upon the information presented in the license application;
 - (2) Notify the applicant of the local licensing authority's decision of denial and the reasons for the denial; and
 - (3) Notify the state of the local licensing authority's decision to deny the application.
- (j) *Appeal.* All decisions of the local licensing authority are final, subject only to an appeal and public hearing before the finance director if a petition for an appeal is received by the finance director within 20 days of the date on the notice of denial. Every petition for appeal shall set forth in writing the legal and factual support for the appeal. The finance director shall only consider those issues specifically addressed in the petition for appeal.
- (k) *Duty to supplement.*
- (1) If, at any time before or after a license is issued pursuant to this article, any information required by the Colorado Medical Marijuana Code, the Colorado Retail Marijuana Code, the City Code or any rule and regulation adopted pursuant thereto, changes from that which is stated in

the application, the applicant or licensee shall supplement their application with the updated information within ten days from the date upon which such change occurs.

- (2) An applicant or licensee has a duty to notify the local licensing authority of any pending criminal charge and any criminal conviction by the applicant, licensee, any owner, officer, director, manager, agent or employee of the applicant or licensee within ten days of the event.
 - (3) An applicant or licensee has a duty to notify the local licensing authority of any pending violation of, and any conviction for, a violation of any building, fire, health or zoning statute, code or ordinance related to the cultivation, processing, manufacture, transportation, storage, sale, distribution, testing, research or consumption of any form of marijuana by the applicant, licensee, any owner, officer, director, manager, agent or employee of the applicant or licensee within ten days of the event.
- (l) Applications for new licenses where no building is as yet in existence.
- (1) Any applicant for a marijuana establishment license whose building is not yet in existence at the time of the city's initial approval the applicant shall have one year immediately following the date of the city's initial approval to obtain the necessary city and state licenses, obtain a certificate of occupancy issued by the city and to commence business operations.
 - (2) Extensions of the time to approve a license application and commence business operations.
 - a. Whenever it appears the applicant shall not be ready to commence business operations within the prescribed one-year period, the applicant must file an affidavit of due diligence with the local licensing authority, within 30 days prior to the end of the one-year period, requesting an extension of time to complete the building, obtain the necessary licenses, obtain the certificate of occupancy and commence business operations. In the affidavit of due diligence the applicant shall be required to demonstrate to the local licensing authority the progress being made toward the completion of the building, the due diligence in obtaining the necessary licenses, obtaining the occupancy permit, complying with all applicable laws, rules and regulations, and the reasons why the building has not been completed. The affidavit of due diligence must be accompanied by an extension fee which is not refundable and such fee shall be established in accordance with the provisions of section 2-587.
 - b. The local licensing authority shall consider the applicant's affidavit of due diligence. If the local licensing authority is satisfied the applicant is diligently making progress toward the completion of the building, obtaining the necessary licenses, obtaining a certificate of occupancy, and will be reasonably likely to commence business operations within an additional one-year time period, the local licensing authority may extend the initial approval of the application for an additional period not to exceed one year. No more than one extension shall be granted under this subsection for a total of two years from the initial approval date.
 - c. If the local licensing authority is not satisfied the applicant is diligently making progress toward the completion of the building, or obtaining the necessary licenses, or obtaining a certificate of occupancy, or is not reasonably likely to commence business operations within an additional year, the local licensing authority shall not grant any extension of time to approve the application.
 - (3) If after one year when no extension has been granted, or if after two years when an extension has been granted, the construction of the proposed building has not been completed, the necessary licenses have not been issued to the applicant, the city has not issued a certificate of occupancy to the applicant, or the applicant has not commenced business operations, the licensing authority's initial approval of the license application shall expire. The applicant's failure to proceed with due diligence shall render the local licensing authority's prior initial approval null and void and shall constitute a denial of the license for failure to comply with the Colorado Medical Marijuana Code, the Colorado Retail Marijuana Code, the City Code, all the rules and regulations adopted pursuant thereto, and any other applicable state or local law or rule and

regulation. The applicant shall not make new application for the same premises for the same type of license for a period of two years from the date of the denial of the license application.

- (4) No license which has been approved for issuance upon completion of the premises shall be transferred to a new owner prior to the issuance of the license to the original applicant.
- (m) *No vested rights.* Notwithstanding anything contained in this article, an applicant issued a license authorized by this article has no vested right to the license or the renewal of a license, and no property right in the license or the renewal of a license.
- (n) *Notices by e-mail.* Except as otherwise specified by the Colorado Medical Marijuana Code, the Colorado Retail Marijuana Code, or the rules adopted pursuant thereto, all notices, orders and other communications required to be given to an applicant or a licensee under this article shall be sent via e-mail to the applicant or licensee at the e-mail address shown in the application on file with the local licensing authority of the city. The applicant or licensee has a duty to inform the local licensing authority of their current e-mail address and has an ongoing duty to notify the local licensing authority of any change in their e-mail address within one day of any change. The local licensing authority shall maintain a record of applicant's or licensee's e-mail address and shall store a copy of all e-mail communications with the applicant or licensee for a period of approximately two years. This storage record creates a presumption, and is prima facie proof, that any notice, order, or other communications was sent by the city and received by the applicant or licensee.

([Ord. No. 2014-14](#), § 2, 5-12-2014; [Ord. No. 2016-15](#), § 7, 6-20-2016; [Ord. No. 2017-28](#), § 8, 8-7-2017; [Ord. No. 2019-32](#), § 9, 7-15-2019)

Sec. 6-309. - Licensing requirements—Retail marijuana stores.

- (a) The local licensing authority shall not issue a retail marijuana store license to an applicant that does not meet each of the following minimum requirements:
 - (1) The applicant has been licensed by the state pursuant to the Colorado Retail Marijuana Code;
 - (2) The applicant has at least \$400,000.00 in liquid assets in the applicant's control and readily available to the applicant, as evidenced by bank statements, lines of credit, or the equivalent to show that the applicant has sufficient resources to operate a retail marijuana store;
 - (3) The applicant, and the applicant's officers, directors, owners, agents and employees have no drug related felony conviction, no felony convictions in the last ten years, no drug related local ordinance, petty offense, or misdemeanor convictions in the last five years, and no pending criminal charges of any type;
 - (4) The applicant must have at least two years of experience operating a licensed marijuana establishment in Colorado within the last four years;
 - (5) At least one of the owners, with at least one percent ownership, applying for a license must have been a resident of the state for at least one year prior to the date of the application;
 - (6) The applicant must be in good standing with the state licensing authority;
 - (7) The applicant shall not have incurred administrative penalties related to the operations of a marijuana establishment in Colorado in the previous three years;
 - (8) The applicant and the applicant's officers and executives are in compliance with all state and local laws relating to taxes;
 - (9) The applicant must certify that he/she will not employ as a manager or other employee any person with a felony conviction in the last ten years, a drug related local ordinance, petty offense or misdemeanor conviction in the last five years, a drug related felony conviction, or pending criminal charges of any type;

- (10) The applicant must prevent the odor of marijuana from being detected by any person at the exterior of the retail marijuana store or perceptible at any adjoining use or business of the retail marijuana store and shall install an air filtration system to filter the odor of marijuana, if necessary;
 - (11) The applicant's security plan must demonstrate that the applicant will implement security measures that exceed the requirements set forth in the Colorado Retail Marijuana Code, the City Code and any rules adopted pursuant thereto. If the security plan includes specialized details of security arrangements it will be protected from disclosure as provided under the Colorado Open Records Act, C.R.S. § 24-72-204(2)(a)(VIII). If the city finds that such documents are subject to inspection, it will attempt to provide at least 24-hour notice to the applicant prior to such disclosure;
 - (12) An applicant shall submit an operating plan. The operating plan may include a staffing plan that will provide and ensure adequate staffing and experience for all accessible business hours and adequate security and theft prevention; an operations manual that demonstrates compliance with the Colorado Retail Marijuana Code and the City Code; proactive consumer education practices; a description of an employee training program; and a list of best operational practices; and
 - (13) An applicant shall submit a business plan. The business plan shall clearly demonstrate the applicant's ability to operate in a highly regulated industry, and may include a scope of work for the planning and development of the proposed business; a scope of work for capital improvements for the proposed business; an estimate of first-year revenues; an estimate of first-year operating expenses and evidence that the applicant will have the resources necessary to pay for those expenses; and a description of the applicant's history of compliance in another highly regulated industry.
- (b) In the event that two or more applicants apply for the same vacancy the local licensing authority shall issue a license to the applicant who has the best qualifications based on the above factors.

([Ord. No. 2014-14](#), § 2, 5-12-2014; [Ord. No. 2016-15](#), §§ 8, 9, 6-20-2016; [Ord. No. 2017-28](#), § 9, 8-7-2017; [Ord. No. 2019-32](#), § 10, 7-15-2019)

Sec. 6-310. - Limitation on number of retail marijuana store licenses.

There shall be no more than 24 retail marijuana store licenses issued by the city. The city shall issue no more than four retail marijuana store licenses for each ward.

([Ord. No. 2014-14](#), § 2, 5-12-2014)

Sec. 6-311. - Transfer of ownership and changes in business structure.

- (a) A transfer of ownership of any license issued pursuant to this article and changes in business structure shall be prohibited for one year after the date the license is issued by the city unless the licensee can demonstrate that a transfer of ownership is made necessary by death or disability of the licensee or other substantial financial hardship.
- (b) A transfer of ownership or change in business structure for a marijuana establishment shall be governed by the standards and procedures set forth in the Colorado Medical Marijuana Code or the Colorado Retail Marijuana Code and any rules and regulations adopted pursuant thereto. The local licensing authority shall administer transfers of licenses or changes in business structure in the same manner as the state licensing authority administers transfers of state licenses and changes in business structures.

([Ord. No. 2014-14](#), § 2, 5-12-2014; [Ord. No. 2016-15](#), § 10, 6-20-2016; [Ord. No. 2017-28](#), § 10, 8-7-2017; Ord. No. [2019-32](#), § 11, 7-15-2019)

Sec. 6-312. - Change of location.

- (a) Change of location of any license issued pursuant to this article shall be governed by the standards and procedures set forth in the Colorado Medical Marijuana Code, the Colorado Retail Marijuana Code, the City Code and any rules and regulations adopted pursuant thereto. The local licensing authority shall administer applications to change location in the same manner as the state licensing authority administers changes of location for state licenses.
- (b) No change of location of a licensed retail marijuana store shall be approved if the new proposed location does not comply with the zoning, location, and spacing requirements set forth in the City Code and the limitation on the number of retail marijuana store licenses set forth in this article.
- (c) No change of location of a licensed marijuana establishment shall be approved if the new proposed location does not comply with the zoning, location, and spacing requirements set forth in the City Code.

([Ord. No. 2014-14](#), § 2, 5-12-2014; [Ord. No. 2016-15](#), § 11, 6-20-2016; [Ord. No. 2017-28](#), § 11, 8-7-2017; Ord. No. [2019-32](#), § 12, 7-15-2019)

Sec. 6-313. - Modification of premises.

After obtaining a license, a licensee shall not make physical changes, alterations, or modifications to the licensed premises that materially or substantially alters the licensed premises or the usage of the license premises from the plans originally approved by the local licensing authority without submitting an application for such change, alteration, or modification, and obtaining the prior written approval of the local licensing authority to make such proposed modifications.

([Ord. No. 2014-14](#), § 2, 5-12-2014; [Ord. No. 2016-15](#), § 12, 6-20-2016)

Sec. 6-314. - Term of licenses; renewals.

- (a) The term and renewal of the license shall be governed by the standards and procedures set forth in the Colorado Medical Marijuana Code, or the Colorado Retail Marijuana Code, and any rules and regulations adopted pursuant thereto. The local licensing authority shall administer license renewals in the same manner as the state licensing authority administers renewals of state licenses and this article. Notwithstanding anything contained in this article, a licensee has no vested right to the renewal of a license, and no property right in the renewal of a license.
- (b) The local licensing authority may refuse or deny a license renewal for good cause.
- (c) The local licensing authority may refuse or deny a license renewal for any violation of the provisions set forth in subsection 6-318(b).
- (d) The local licensing authority, in its discretion, may revoke or elect not to renew any license issued pursuant to this article if it determines that the licensed premises or the licensed activities have been inactive, without good cause, for at least one year.
- (e) The local licensing authority may revoke or elect not to renew any license issued pursuant to this article if the licensee abandons a licensed premises or otherwise ceases operations without notifying the local licensing authority and the state licensing authority at least 48 hours in advance and without accounting for and forfeiting to the state licensing authority for the destruction of all marijuana or products containing marijuana.

- (f) The local licensing authority may refuse or deny a license renewal if the licensee is not in compliance with the provisions of the Colorado Medical Marijuana Code, the Colorado Retail Marijuana Code, the City Code, any rule and regulation adopted pursuant thereto, or any special term or condition placed upon the license by order of the local licensing authority or state licensing authority.

([Ord. No. 2014-14](#), § 2, 5-12-2014; [Ord. No. 2016-15](#), § 13, 6-20-2016; [Ord. No. 2017-28](#), § 12, 8-7-2017; Ord. No. [2019-32](#), § 13, 7-15-2019)

Sec. 6-315. - Fees.

- (a) An applicant for a new license authorized by this article shall pay to the city an operating fee when the application is filed. The purpose of the fee is to cover the direct and indirect costs to the city of the administration, regulation, and implementation of this article. The city shall also collect license renewal fees, change of location fees, transfer of ownership fees, and all other fees necessary for the administration, regulation, and implementation of this article. Such fees shall be established by the city manager in accordance with the provisions of section 2-587 of this Code.
- (b) At least annually, the amount of fees charged pursuant to this section shall be reviewed and, if necessary, adjusted to reflect the direct and indirect costs incurred by the city in connection with the administration, regulation, and enforcement of this article, including costs of random inspections.
- (c) A portion of the operating fee may be refunded if a license application is withdrawn by the applicant or denied by the local licensing authority. A request for refund must be made in writing by the applicant to the local licensing authority within 30 days of the date of the withdrawal or denial of the application.

([Ord. No. 2014-14](#), § 2, 5-12-2014; [Ord. No. 2016-15](#), § 14, 6-20-2016; [Ord. No. 2017-28](#), § 13, 8-7-2017; Ord. No. [2019-32](#), § 14, 7-15-2019)

Sec. 6-316. - Unlawful acts.

- (a) It is unlawful for any person under 21 years of age to be on or within the limited access area of any marijuana establishment.
- (b) It shall be unlawful for any person to engage in any form of business or commerce or activity involving the cultivation, processing, manufacturing, storage, sale, distribution, transportation, testing, research or consumption of any form of marijuana or marijuana products other than those forms of business and commerce and activities that are expressly contemplated by sections 14 and 16 of article XVIII of the Colorado Constitution, the Colorado Medical Marijuana Code, the Colorado Retail Marijuana Code or the City Code.
- (c) It shall be unlawful for any person to display, transfer, distribute, serve, sell, give away, or dispose of any marijuana or any marijuana product in a public place.
- (d) It shall be unlawful for any person who is the holder of a license authorized pursuant to this article or any manager, agent or employee of such license holder to fail to immediately report to the city police department and the local licensing authority any disorderly conduct or criminal activity occurring upon any adjoining grounds or property under the control or management of the licensee, any associated contiguous parking area used by licensee's patrons, at the location, on the premises, or within the licensed premises set forth on the license of the license holder. For the purposes of this subsection, the terms "location," and "premises," shall have that meaning and definition set forth in C.R.S. § 44-12-103, and the term "licensed premises" shall have the meaning and definitions set forth in this article, and the term "report" shall mean to either: (1) immediately, verbally, and directly in person notify any on-site uniformed Aurora Police Officer whether on duty or working secondary employment; or (2) place and complete a phone call to the non-emergency dispatch telephone

number for the Aurora Police Department; or (3) place and complete a telephone call to the emergency *911 operator. Contacting individual officers out of uniform or not directly on the licensed premises shall not suffice as a report or reporting within the meaning of this subsection.

- (e) It shall be unlawful for any person to hold an ownership interest in more than six retail marijuana stores licensed pursuant to this article.
- (f) It shall be unlawful for any person to exercise any of the privileges granted by a license other than the person(s) issued the license.
- (g) It shall be unlawful for any person(s) granted a license to allow any other person to exercise any privilege granted under their license.
- (h) It shall be unlawful for any person to operate any marijuana establishment in the city without a license issued by the local licensing authority and the state licensing authority pursuant to the Colorado Medical Marijuana Code or the Colorado Retail Marijuana Code and this article.
- (i) It shall be unlawful for any person to sell marijuana or marijuana products at a licensed retail marijuana store at any time not permitted by the City Code.
- (j) It shall be unlawful for alcohol beverages to be on, within or consumed in the licensed premises.

([Ord. No. 2014-14](#), § 2, 5-12-2014; [Ord. No. 2016-15](#), § 15, 6-20-2016; [Ord. No. 2017-28](#), § 14, 8-7-2017; Ord. No. [2019-32](#), § 15, 7-15-2019)

Sec. 6-317. - Inspections.

Every applicant, licensee, or employee shall permit the local licensing authority, and any agent of the local licensing authority, or anyone authorized to inspect pursuant to the Colorado Medical Marijuana Code, the Colorado Retail Marijuana Code, or the City Code to inspect the premises, the licensed premises, and the location for compliance with the Colorado Medical Marijuana Code, the Colorado Retail Marijuana Code, the City Code and any of the rules and regulations adopted pursuant thereto.

([Ord. No. 2014-14](#), § 2, 5-12-2014; [Ord. No. 2016-15](#), § 16, 6-20-2016; [Ord. No. 2017-28](#), § 15, 8-7-2017; Ord. No. [2019-32](#), § 16, 7-15-2019)

Sec. 6-318. - Disciplinary actions; sanctions; penalties.

- (a) The finance director has the power and authority to impose disciplinary actions, sanctions, penalties upon a licensee that may include additional terms and conditions on the license, a fine in lieu of a suspension, a suspension, or a revocation of a license issued by the city's local licensing authority for any violation by the licensee or by any of the agents or employees of the licensee of any provision of the Colorado Medical Marijuana Code, the Colorado Retail Marijuana Code, the City Code, any rule or regulation adopted pursuant thereto, any building, fire, health or zoning statute, code, or ordinance, or any of the rules and regulations adopted pursuant thereto, in addition to any other penalties prescribed by the City Code.
- (b)
 - (1) The finance director has the authority to conduct a public hearing, after written notice, when probable cause exists the licensee or an agent or employee of the licensee has committed a violation of any provision of the Colorado Medical Marijuana Code, the Colorado Retail Marijuana Code, the City Code, any rule or regulation adopted pursuant thereto, any building, fire, health or zoning statute, code, or ordinance, or any of the rules and regulations adopted pursuant thereto.
 - (2) Additional grounds for disciplinary actions. The finance director has the authority to impose disciplinary actions, sanctions, penalties on the licensee if the finance director finds that:
 - a. The licensee has failed to pay all required fines, costs and fees;

- b. The licensee has failed to file tax returns when due as required by the City Code, or the licensee is overdue on his or her payment to the city of taxes, fines, interest, or penalties assessed against or imposed upon such licensee in relation to the licensed marijuana establishment;
 - c. The licensee has made any false statement in the license or renewal application as to any of the facts required to be stated in such application;
 - d. The licensee has failed to comply with his or her duty under section 6-308(k) to supplement the license application;
 - e. The licensee has failed to file any reports, notifications or furnish any information as required by the provisions of the City Code, or any rule and regulation adopted pursuant thereto relating to any license authorized by this article;
 - f. The licensee has failed to operate in accordance with any special term or condition placed upon a license by the local licensing authority or the state licensing authority.
 - g. The licensee has knowingly permitted or encouraged, or has knowingly and unreasonably failed to prevent a public nuisance within the meaning of the City Code from occurring in or about the licensed premises;
 - h. The licensee has failed to appear upon a municipal court summons in violation of section 50-33 of the City Code;
 - i. The licensee, or any of the officers, directors, owners, managers, agents or employees have been convicted of a felony or a drug related criminal offense within the previous 12 months;
 - j. The licensee engaged in any form of business or commerce involving the cultivation, processing, manufacturing, storage, sale, distribution, transportation, testing, research or consumption of any form of marijuana or marijuana product other than the privileges granted under their license;
 - k. The licensee has materially or substantially, changed, altered, or modified the licensed premises, or use of the licensed premises, without obtaining prior approval to make such changes, alterations, or modifications from the local licensing authority;
 - l. The licensee has failed to maintain a valid state issued license;
 - m. The odor of marijuana is perceptible at the exterior of the building at the licensed premises, or is perceptible at any adjoining use of the property;
 - n. Any fact or condition exists which, if it had been known to exist at the time of the application for such license, would have warranted the refusal to issue such license;
 - o. The licensee knowingly permitted or allowed the consumption of marijuana on the licensed premises or associated contiguous parking area;
 - p. The licensee knowingly permitted the possession or consumption of an alcohol beverage within the licensed premises. At any hearing for a violation of this subsection, any bottle, can, or other container label indicating the contents of such bottle, can, or other container, shall be admissible into evidence and shall be prima facie evidence that the contents of the bottle, can, or other container was composed in whole or in part an alcohol beverage; or
 - q. The licensee, or any of the agents, servants or employees of the licensee, have violated any ordinance of the city or any state or federal law on the premises or have permitted such a violation on the premises by any other person; provided, however, this paragraph shall not apply to permitted behavior on the premises concerning the possession, consumption, display, or use of cannabis or cannabis accessories as may otherwise be permitted by state statute or City Code.
- (3) Any fine imposed in lieu of a suspension by the finance director shall not be less than \$500.00 and not more than \$100,000.00.

- (4) Any suspension of a license shall not be for a period longer than six months.
- (5) The finance director has the authority to impose the costs to conduct a public hearing upon a licensee who has violated any of the provisions prescribed by this article. The costs to conduct such a public hearing shall be established in accordance with the provisions of section 2-587 of this City Code.
- (6) Payment of any fine or costs pursuant to this section shall be in the form of cash or in the form of a certified check or cashier's check made payable to the city.
- (c) If the finance director finds that the license should 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 and the reasons therefore within 20 days following the date of the hearing.
- (d) If the finance director suspends or revokes a license, or imposes a fine in lieu of a suspension of the licensee, the licensee may appeal the fine, suspension or revocation to the district court pursuant to Rule 106(a)(4) of the Colorado Rules of Civil Procedure. The licensee's failure to timely appeal the decision is a waiver of the licensee's right to contest the fine imposed or the suspension or revocation of the license.
- (e) No fee previously paid by a licensee in connection with a license shall be refunded if the licensee's license is suspended or revoked.

([Ord. No. 2014-14](#), § 2, 5-12-2014; [Ord. No. 2016-15](#), § 17, 6-20-2016; [Ord. No. 2017-28](#), § 16, 8-7-2017; Ord. No. [2019-32](#), § 17, 7-15-2019)