

ADAMS COUNTY, COLORADO MARIJUANA LICENSING REGULATIONS

Part I. General Provisions

Section 1.01 Title

These Regulations shall be known and referred to as the “Adams County Marijuana Licensing Regulations” (referred to herein as “Regulations”).

Section 1.02 Authority

These Regulations are adopted pursuant to Colorado Const., Art. XVIII, §16(5)(f); the Colorado Medical Marijuana Code, C.R.S. §12-43.3-101, et seq. (“Medical Marijuana Code”), the Colorado Retail Marijuana Code, C.R.S. §12-43.3-101, et. seq., (“Retail Marijuana Code”), C.R.S. §30-11-101(1)(e), (2); and C.R.S. §30-11-107(1)(i).

Section 1.03 Purpose

The purpose of these Regulations is to establish the requirements for obtaining a local license for a Medical Marijuana Establishment and/or a Retail Marijuana Establishment. In addition to meeting all requirements under these Regulations, local medical marijuana and retail marijuana establishments must obtain the corresponding license from the State of Colorado.

Section 1.04 Application of Regulations

1.04.01 These Regulations apply throughout the unincorporated areas of Adams County, Colorado, including public and state lands.

1.04.02 All activities that require a local medical marijuana and/or a local retail marijuana license must be conducted in accordance with these regulations.

1.04.03 These Regulations shall in no way limit application and enforcement of any statutes of the State of Colorado but shall be in addition thereto.

Section 1.05 General Requirements

1.05.01 All persons who are engaged in or who are attempting to engage in the cultivation, manufacture, distribution, testing and/or sale of marijuana in any form shall do so only in strict compliance with the terms, conditions, limitations and restrictions in Section 14 and Section 16 of Article XVIII of the Colorado Constitution, the Colorado Marijuana Code, these Regulations, the Adams County Development Standards and Regulations, and all other State and local laws and regulations.

1.05.02 Local medical marijuana licenses and local retail marijuana licenses can only be authorized after the applicant(s) has obtained the corresponding conditional state medical marijuana license(s) and/or state retail marijuana license(s). Conditional state licenses will only

meet this requirement if the only remaining condition on that license is the issuance of a Local License. The issuance of any local licenses issued pursuant to these Regulations is specifically conditioned on the applicant/Licensee obtaining and maintaining a valid license of the same type for the same activity, at the same location issued by the State Licensing Authority.

1.05.03 Either a County-issued Building Permit or a County-issued Change-in-Use Permit is required prior to obtaining a County-issued medical marijuana license(s) and/or a County-issued retail marijuana license(s).

1.05.04 A local marijuana license may be requested by, without limitation, any owner or person having an interest in the property on which the medical marijuana or retail marijuana use is proposed to be located. The applicant has the burden of proof to demonstrate the use fully complies with all state and local standards and regulations and meets the criteria for approval.

Section 1.06 Definitions

1.06.01 Unless otherwise defined herein, the terms in these Regulations shall have the same meaning as set forth in Sections 14 and 16 of Article XVIII of the Colorado Constitution, Article 43.3 and Article 43.4 of Title 12, C.R.S. and any rules promulgated pursuant thereto.

1.06.02 The following words and phrases, when used in these Regulations, shall have the meanings respectively assigned to them:

1. “Building Permit” means a development permit issued by the Adams County Building Department or any other County office before any building or construction activity can be initiated on a parcel of land. Any Building Permit(s) must be granted conditional approval prior to obtaining a local medical marijuana license(s) and/or a local retail marijuana license(s).

2. “Change-in-Use Permit” means a development permit issued by the Adams County Building Department or any other County office, applicable whenever the essential character or nature of the activity conducted on a lot changes. All Change-in-Use Permits require zoning review and building permit approval. A Change-in-Use is required when active and continuous operations are not carried on in a building or property during a continuous period of six months; when the change is from one principally permitted use category to another; if the property consists of multiple buildings/tenants, when the required amount of parking stalls is increased by 25 percent or more, and/or when the gross floor area is increased by 50 percent or more; or when as determined within the Non-conforming Conditions section of Chapter 4 of the County’s Development Standards and Regulations. Any required Change-in-Use Permit(s) must be granted conditional approval prior to obtaining a local medical marijuana license(s) and/or a local retail marijuana license(s).

3. “Colorado Marijuana Code” means both the Colorado Medical Marijuana Code and the Colorado Retail Marijuana Code as defined herein.

4. “Colorado Medical Marijuana Code” means Section 14 of Article XVIII of the Colorado Constitution and Article 43.3 of Title 12 of the Colorado Revised Statutes, as amended and any rules promulgated pursuant thereto.
5. “Colorado Retail Marijuana Code” means Section 16 of Article XVIII of the Colorado Constitution and Article 43.4 of Title 12 of the Colorado Revised Statutes, as amended and any rules promulgated pursuant thereto.
6. “Good Cause,” for purposes of refusing or denying an initial license issuance, or for refusing or denying a license renewal or reinstatement, means:
- a. The licensee or applicant has violated, does not meet, or has failed to comply with any of the terms, conditions or provisions of these Regulations, the Adams County Development Standards and Regulations, any provision of the Colorado Marijuana Code, of any regulations and rules promulgated pursuant to State law, any applicable state or local taxes, or any supplemental local rules and regulations;
 - b. The licensee or applicant has failed to comply with any special terms or conditions that were placed on its license pursuant to an order of the State Licensing Authority or of the Local Licensing Authority;
 - c. The licensed premises have been operated in a manner that adversely affects the public health, safety or welfare or the safety of the immediate neighborhood in which the establishment is located.
7. “License” means: (a) to grant a license or registration pursuant to these Regulations; and (b) (i) Official or legal permission to do a specific thing; (ii) Proof of permission granted in the form of a document.
8. “Licensed Premises” means the premises specified in an application for a license under these Regulations, which are owned or in possession of the licensee and within which the licensee is authorized to cultivate, manufacture, distribute, test, or sell marijuana in accordance with the provisions of these Regulations and in accordance with the provisions of the Colorado Marijuana Code and any rules adopted pursuant thereto.
9. “Licensee” means a person licensed or registered pursuant to these Regulations.
10. “Limited Access Areas” means and shall be a building, room or other contiguous area upon the licensed premises where marijuana is grown, cultivated, stored, weighed, displayed, packaged, sold or possessed for sale, under control of the licensee, with limited access to only those persons licensed by the State Licensing Authority.
11. “Local Licensing Authority” means the Board of County Commissioners of the County of Adams, Colorado, or its designee.

12. “Location” means a particular parcel of land that may be identified by an address or other descriptive means.
13. “Marijuana” means both Medical Marijuana and Retail Marijuana as those terms are defined herein.
14. “Marijuana Establishment” means both a Medical Marijuana Establishment and a Retail Marijuana Establishment as those terms are defined herein.
15. “Medical Marijuana” means marijuana that is grown and sold pursuant to the provisions of these regulations, the Colorado Medical Marijuana Code and Section 14 of Article XVIII of the Colorado Constitution.
16. “Medical Marijuana Center” means a person licensed pursuant to these Regulations and pursuant to C.R.S. § 12-43.3-101, et seq., to operate a business as described in these regulations and as is further described in C.R.S. § 12-43.3-402 that sells medical marijuana to registered patients or primary caregivers as defined in Section 14 of Article XVIII of the Constitution of the State of Colorado, but is not a primary caregiver.
17. “Medical Marijuana Establishment” means a medical marijuana center, medical marijuana-infused products manufacturing operation, or an optional premise cultivation operation.
18. “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.
19. “Medical Marijuana-Infused Products Manufacturer” means a person licensed pursuant to these Regulations and to C.R.S. § 12-43.3-101, et seq. to operate a business as described in these regulations and as is also described in C.R.S. § 12-43.3-404.
20. “Operating fees” means fees that must be paid by a Retail Marijuana Establishment licensee for the costs of administering and enforcing these Regulations.
21. “Optional Premises” means the premises specified in an application for a medical marijuana center license with related growing facilities in Adams County, Colorado for which the licensee is authorized to grow and cultivate marijuana for a purpose authorized by Section 14 of Article XVIII of the Colorado Constitution.
22. “Optional Premises Cultivation Operation” means a person licensed pursuant to these Regulations and the Colorado Medical Marijuana Code as defined therein.
25. “Owner” means any person having a beneficial interest, as defined by the State Licensing Authority, in a Marijuana Establishment.

26. “Person” means a natural person, partnership, association, entity, company, corporation, limited liability company, or organization, or a manager, agent, owner, director, or officer thereof; except that “Person” does not include any governmental organization.
27. “Premises” means a distinct and definite location, which may include a building, a part of a building, a room or any other definite contiguous area.
28. “Retail Marijuana” means marijuana that is grown, tested, manufactured, and/or sold pursuant to the provisions of these regulations, the Colorado Retail Marijuana Code and Section 16 of Article XVIII of the Colorado Constitution.
29. “Retail Marijuana Cultivation Facility” means a person licensed pursuant to these Regulations and the Colorado Retail Marijuana Code as defined therein.
30. “Retail Marijuana Establishment” means a retail marijuana store, a retail marijuana cultivation facility, a retail marijuana product manufacturing facility, or a retail marijuana testing facility as set forth in Section 16 of Article XVIII of the Colorado Constitution and as may be more fully defined in the Colorado Retail Marijuana Code.
31. “Retail Marijuana-Infused Products Manufacturer” means a person licensed pursuant to these Regulations and the Colorado Retail Marijuana Code as defined therein.
32. “Retail Marijuana Store” means a person licensed pursuant to these Regulations and the Colorado Retail Marijuana Code as defined therein.
33. “Retail Marijuana Testing Facility” means a person licensed pursuant to these Regulations and the Colorado Retail Marijuana Code as defined therein.
34. “Sale” or “Sell” includes to exchange, barter, or traffic in, to solicit or receive and order except through a licensee licensed under these Regulations, to deliver for value in any way other than gratuitously, to peddle or possess with intent to sell, or to traffic in for any in for any consideration promised or obtained directly or indirectly.
36. “State Licensing Authority” means the authority created for the purpose of regulating and controlling the licensing of the cultivation, manufacture, distribution, testing and sale of marijuana in this State pursuant to the Colorado Marijuana Code.
37. “Storage Warehouse” shall mean a premise permitted to store marijuana pursuant to these Regulations, the Adams County Development Standards and Regulations, and the Colorado Marijuana Code.

Part II. Local Licensing Authority

Section 2.01 Establishment of Local Licensing Authority

The Board of County Commissioners or its designee shall serve as the licensing authority for medical marijuana and retail marijuana for the purpose of regulating and controlling the licensing of the cultivation, manufacture, distribution, testing and/or sale of medical marijuana, retail marijuana, medical marijuana-infused products, and/or retail marijuana-infused products in unincorporated Adams County; and is hereby designated to act as the local licensing authority for Adams County within the meaning of the Colorado Marijuana Code.

Section 2.02 Powers

2.02.01 The Local Licensing Authority shall have all of the powers described the Colorado Marijuana Code, including, but not limited to, to hear and determine at a public hearing any applications for a local license, any contested local license denial, and complaints against a Licensee, and administer oaths and issue subpoenas to require the presence of person and the production of papers, books, and records necessary to the determination of any hearing so held.

2.02.02 The Local Licensing Authority shall have the power and authority to suspend, fine, restrict or revoke such licenses upon a violation of these Regulations, or any rules promulgated pursuant to these Regulations and/or upon a violation of the provisions of Colorado Marijuana Code.

2.02.03 Nothing in these Regulations shall be construed to limit a law enforcement agency's ability to investigate unlawful activity in relation to a license issued pursuant to these Regulations.

Part III. Licenses

Section 03.01 Types of Licenses

03.01.01 The Local Licensing Authority is authorized to issue the following types or classes of licenses for the purpose of regulating Marijuana Establishments. The Local Licensing Authority, in its discretion, and upon application in the prescribed form made to it, may issue and grant to an applicant a Marijuana Establishment license subject to the provisions and restrictions provided in these Regulations, from any of the following classes:

1. Medical Marijuana Center License;
2. Medical Marijuana Optional Premises Cultivation Operation License;
3. Medical Marijuana Infused Products Manufacturing License;
4. Retail Marijuana Store License;
5. Retail Marijuana Cultivation Facility License;
6. Retail Marijuana Product Manufacturing Facility License;
7. Retail Marijuana Testing Facility License;

Section 3.02 Number of Licenses

3.02.01 The Local Licensing Authority is authorized to issue the following number of licenses for the purpose of regulating Marijuana Establishments subject to the provisions and restrictions provided in these regulations:

1. Five (5) Retail Marijuana Store Licenses;
2. Three (3) Retail Marijuana Cultivation Facility Licenses;
3. Three (3) Retail Marijuana Product Manufacturing Facility Licenses;
4. One (1) Retail Marijuana Testing Facility License.

Part IV. Applications: Procedures, Hearings and Determinations

Section 04.01 Application Procedures

04.01.01 The Local Licensing Authority or its designee shall be the administrative agent for the purposes of disseminating applications for licenses pursuant to these Regulations and related materials, for the purpose of receiving applications and fees and for the purpose of making determinations of completeness. Upon receipt of a Marijuana Establishment application, the Local Licensing Authority or its designee shall review the application for completeness.

04.01.02 An application for a license shall be filed with the State Licensing Authority on forms provided by the State Licensing Authority, and shall contain such information as the State Licensing Authority may require, and with the Local Licensing Authority on any additional forms as the Local Licensing Authority may require. Each application and any supporting documentation or submittals shall be verified by the oath or affirmation of the persons submitting the application and any other person as may be prescribed by the State or Local Licensing Authority.

04.01.03 An applicant shall file at the time of application for a license pursuant to these Regulations an application for a Building Permit and/or a Change-in-Use Permit and plans and specifications for the interior of the building if the building to be occupied is in existence at the time of the application. If the building is not in existence at the time of the application, the applicant shall file a plot plan and a detailed sketch for the interior and shall further submit an architect's drawing of the building to be constructed. The local or State licensing authority may impose additional requirements necessary for making a determination of completeness and further submission of the application to the Local Licensing Authority for consideration of approval.

04.01.04 An applicant shall file with the Local Licensing Authority the following at the time of application for a license pursuant to these Regulations:

1. An operating plan for the proposed Marijuana Establishment including the following information:
 - a. A description of the products and services to be provided by the facility.

b. A floor plan showing all interior dimensions of the licensed premises and the layout of the Marijuana Establishment, including all limited access areas, areas of ingress and egress, and all security cameras. Such floor plan shall also show the principal uses of the floor area depicted therein; for cultivation facilities, such floor plan shall distinguish all dimensions of areas in which plants are located;

c. A description of the design of the establishment evidencing that the design conforms to applicable Adams County laws and regulations;

d. A security plan indicating how the applicant intends to comply with the requirements of the Colorado Marijuana Code.

2. A statement of whether or not any person holding any ownership interest has:

a. Been denied an application for a Marijuana Establishment license by the state in this or any other jurisdiction or had such a license suspended or revoked; and

b. Been convicted of a felony or has completed any portion of a sentence due to a felony charge within the preceding five (5) years.

3. Proof that the applicant has completed and satisfied the Building Permit Review and/or Change-in-Use Permit Review as required by the Development Standards and Regulations of Adams County.

4. All licensing, operating, and other fees due and payable to operate a Marijuana Establishment as determined by the Local Licensing Authority.

5. Any additional document(s) or information reasonably requested by the Local Licensing Authority.

6. Applications will be deemed submitted only when complete and when accompanied by the applicable fees. The Local Licensing Authority or its designee shall inform the applicant in writing of its determination of whether or not the application is complete within twenty (20) days of its receipt of the application. Such determination shall be expressed in writing and shall identify those matters which prevent the determination of completeness or which shall inform that the application has been accepted as being complete. An applicant who has been denied a determination of completeness may resubmit the application to correct any deficiencies in completeness.

Section 04.02 Hearings

04.02.01 Upon receipt of an application for a license and upon a determination by the Local Licensing Authority that the same is complete in accordance with these regulations, the Local Licensing Authority shall schedule a public hearing upon the application to be held not less than thirty (30) days after the date of the determination of completeness. The Local Licensing Authority shall post and publish public notice of such hearing not less than ten days prior to the hearing. Public notice shall be given by the posting of a sign in a conspicuous place on the premises for which application has been made and, further, by publication in a newspaper of general circulation in Adams County. Notice given by posting shall include a sign of suitable material, not less than twenty-two inches wide and twenty-six inches high, composed of letters

not less than one inch in height and stating the type of license applied for, the date that the application has been determined to be complete, the date of the hearing, the name and address of the applicant and such other information as may be required to apprise the public of the nature of the application. The sign shall also contain the names and addresses of the officers, directors, or managers of the facility to be licensed. The notice given by publication shall contain the same information. If the building in which the marijuana is to be manufactured, cultivated, or sold is in existence at the time of the application, a sign shall be posted in such place so as to be conspicuous and plainly visible to the general public. If the building is not yet constructed at the time of application, the applicant shall post a sign at the premises upon which the building is to be constructed in such a manner that the notice shall be conspicuous and plainly visible to the general public.

04.02.02 No less than ten days prior to the date of a scheduled public hearing on a license application, the Local Licensing Authority shall make known, based upon its investigation to date, its findings concerning the initial requirements of an application and its preliminary findings concerning whether or not the same appears to meet the standards and requirements set forth in these Regulations. The writing shall be directed to the applicant and copies of the same shall be made available to other parties of interest. Nothing in the initial findings issued prior to the hearing shall conclusively bind the Local Licensing Authority who after the hearing has the authority to issue or refuse to issue a license for good cause in accordance with the terms and provisions and conditions and standards of these regulations and those set forth in State law and regulation.

Section 04.03 Determinations.

04.03.01 Prior to making its final decision approving or denying the application, the Local Licensing Authority may consider the facts and evidence adduced as a result of its preliminary investigation as well as any other facts pertinent to the type of license for which application has been made, including the number, type and availability of Marijuana Establishments located in or near the premises under consideration, and any other pertinent matters affecting the qualifications of the applicant for the conduct of the type of business proposed and whether the applicant will comply with these Regulations and the Colorado Marijuana Code.

04.03.02 Within 30 days after the public hearing, the Local Licensing Authority shall issue its decision approving or denying an application for local licensure. The decision shall be in writing and shall state the reasons for the decision. The Local Licensing Authority shall send a copy of the decision by certified mail to the State and to the applicant at the address shown on the application. Any decision approving a license application may include certain conditions imposed by the Local Licensing Authority in addition to compliance with all of the terms and conditions of these Regulations and compliance with State law and regulation.

04.03.04 The Local Licensing Authority may deny any application for a license that is not in compliance with these Regulations, the Colorado Marijuana Code, any other applicable state or local law or regulation, or for good cause. Notwithstanding, the Local License Authority may issue a conditional license.

04.03.05 In the event that the Local Licensing Authority approves an application, the license shall not issue 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 State law and regulations promulgated pursuant thereto; and then only after the Local Licensing Authority has inspected the premises to determine that the applicant has complied with the architect's drawing and the plot plan and the detailed sketch for the interior of the building submitted with the application.

Part V. Standards

Section 05.01 Licensing Standards

05.01.01 A license provided by these Regulations shall not be issued to or held by any person or entity prohibited as licensees under any Local or State law, rule or regulations.

05.01.02 The Local Licensing Authority shall not receive or act upon an application for the issuance of a local license pursuant to these Regulations:

1. Until it is established that the applicant is, or will be, entitled to possession of the premises for which application is made under a lease, rental agreement or other arrangement for possession of the premises, or by virtue of ownership of the premises;

2. For a location in an area where the cultivation, manufacture, distribution, storage, testing, and/or sale of marijuana as contemplated herein is not expressly permitted under the provisions of the Adams County Development Standards and Regulations.

3. For a location that does not meet and comport with the distance, isolation and/or separation distances required for the cultivation, manufacture, distribution, storage, testing, and/or sale of marijuana as contemplated herein under the provisions of the Adams County Development Standards and Regulations.

05.01.03 The Local Licensing Authority may, in its discretion, deny the grant of a license provided by these Regulations to any person or entity who has prior to or on the date of the application made misrepresentations concerning the business for which the license is being sought on the application or on any of the submittals made with an application.

05.01.04 The Local Licensing Authority may deny a license if the evidence presented does not establish that the premises upon which the license is to be located can be operated by the licensee in a manner that will not adversely affect the public health or welfare or the safety of the immediate neighborhood in which the establishment is to be located or for good cause. The Local Licensing Authority may place conditions upon the approval of any license which are reasonably related to the furtherance, in the opinion of the Local Licensing Authority, and

protection of the health, safety and welfare of the neighborhood in which the establishment is to be located and of the general public.

05.01.05 Prior to granting a license, the Local Licensing Authority may further consider all of the requirements of these Regulations, the Colorado Marijuana Code, any applicable state or local law or regulation, and all other reasonable restrictions that are or may be placed upon the licensee by the Licensing Authority.

05.01.06 No license otherwise approved pursuant to these Regulations shall be issued until the license, application fees and any licensing or operating fees due to the State of Colorado and/or the County of Adams have been fully paid and received. Licenses granted pursuant to these Regulations shall be valid for a period not to exceed one year from the date of issuance unless revoked or suspended pursuant to these Regulations and/or pursuant to the provisions of State law and regulation.

05.01.07 The Local Licensing Authority in its discretion may revoke or elect not to renew any license if it determines that the licensed premises have been inactive, without good cause, for a period of at least one year.

05.01.08 A license provided and issued pursuant to these Regulations shall specify the date of issuance, the period of licensure (1 year from the date of issuance), the name of the licensee and the premises licensed. The licensee shall conspicuously place the license at all times on the licensed premises or upon an optional premises license pursuant hereto.

05.01.09 The Local Licensing Authority shall issue a license under this article when, after thorough consideration of the application, and from review of such other information as required by these Regulations or the Marijuana Code, the Authority determines that the applicant complies with all of the requirements of these Regulations and the Colorado Marijuana Code.

Section 05.02 Operation Standards

05.02.01 A Medical Marijuana Establishment shall not acquire, possess, cultivate, deliver, transfer, transport, supply, or dispense marijuana for any purpose except to assist the patients as defined by Section 14(1) of Article XVIII of the Colorado Constitution or other applicable state law.

05.02.02 A Retail Marijuana Establishment shall not acquire, possess, cultivate, deliver, store, test, transfer, transport, supply, or dispense marijuana for any purpose except as permitted by the Colorado Retail Marijuana Code.

05.02.03 Each person licensed pursuant to these Regulations shall keep and maintain all records specified in the Colorado Marijuana Code and shall make the same open, at all times, during business hours for the inspection and examination of the Local Licensing Authority or its duly authorized representatives. A failure to maintain such records and to allow for inspection of the same as well as a failure to allow the inspection of the licensed premises by the Local Licensing Authority shall constitute a violation of these Regulations and such violation may, in

the discretion of the Local Licensing Authority, form or constitute the basis for a summary suspension, a suspension, fines and/or revocation of the licensee's license.

05.02.04 No medical marijuana center or retail marijuana store approved pursuant to these Regulations may sell marijuana at any time except between the hours of 8:00am to 10:00pm ~~8:00am to 7:00pm for a medical marijuana center and between the hours of 9:00am to 9:00pm for a retail marijuana store~~, unless a more restrictive time is set by the Colorado Marijuana Code.

05.02.05 All sales receipts at retail marijuana stores shall contain the Statement, "It is illegal to transfer or sell marijuana or marijuana products to anyone under the age of 21."

05.02.06 All Retail Marijuana Establishments shall post a sign in a conspicuous location stating:

IT IS ILLEGAL TO SELL OR TRANSFER MARIJUANA TO ANYONE UNDER THE AGE OF TWENTY-ONE. IT IS ILLEGAL TO SEND OR TRANSPORT MARIJUANA TO ANOTHER STATE. THE POSSESSION OF MARIJUANA REMAINS A CRIME UNDER FEDERAL LAW.

05.02.07 A Marijuana Establishment shall be equipped with a proper ventilation system that filters the odor of marijuana.

05.02.08 All Marijuana Establishments, including but not limited to any places where marijuana is grown, stored, cultivated, sold, tested or dispensed, shall be subject to inspection by the Board of County Commissioners or Local Licensing Authority or its designee, and any other state or local law enforcement personnel during all business hours or other times of apparent activity, for the purpose of inspection or investigation. The Local Licensing Authority and its designee may conduct unannounced or covert compliance inspections. For examination of any inventory or books and records required to be kept by the licensees, access shall be given during business hours. Where any part of the licensed premises consists of a locked area, upon demand to the licensee, such area shall be made available for inspection without delay and, upon request by authorized representatives of the Local Licensing Authority, the licensee shall open the area for inspection. Each licensee shall retain all books and records necessary to show fully the business transactions of the licensee for a period of the current tax year and the three immediately prior tax years and these records shall be made available to the Adams County Finance Department or its designee for the purposes of determining compliance with the requirements of any county sales tax.

Part VI. Duties of Licensee

Section 06.01 Possession of Licensed Premises

At all times subsequent to the issuance of a license under Regulations, a licensee shall possess and maintain possession of the premises or optional premises for which the license is issued by ownership, lease, rental or other arrangement for possession and use of the premises.

Section 06.02 Notice of Changes

06.02.01 A licensee of a license issued pursuant to these Regulations shall report each transfer or change of financial interest in the license and/or the licensee to the Local Licensing Authority prior to any such transfer or change pursuant to and in accordance with the provisions of the Colorado Marijuana Code. A report shall be required for transfers of capital stock of any corporation regardless of size, for transfers of member interests of any limited liability company regardless of size, and for any transfer of an interest in a partnership or other entity or association regardless of size.

06.02.02 A Marijuana Establishment shall notify the Local Licensing Authority in writing within ten (10) days after an owner, officer, or employee ceases to work at, manage, own or otherwise be associated with the operation. The owner, officer or employee shall surrender his or her identification card to the State Licensing Authority on or before the date of notification. A licensed operation shall also notify the Local Licensing Authority in writing of the name, address, and date of birth of an owner, officer, manager or employee within ten (10) days of the new owner, officer or employee begins working at, managing, owning or being associated with the operation.

06.02.03 A Licensee shall notify the Local Licensing Authority in writing if its state license of the same type for the same type of activity at the same Location as that issued by the Local Licensing Authority has been denied, expired, renewed, revoked or transferred within three days of the change.

Section 06.03 Publicly Display Licenses

The Licensee shall conspicuously display the local and the state issued licenses at all times on the Licensed Premises.

Part VI. License Renewals

Section 06.01. Renewal Requirements

06.01.01 A licensee shall apply for the renewal of an existing license to the Local Licensing Authority not less than 45 days prior to the date of the expiration of the license. Except as hereinafter provided, the Local Licensing Authority shall not accept an application for renewal of a license after the date of expiration.

06.01.02 The Local Licensing Authority may, in its discretion, schedule a hearing on the application for renewal if the licensee has had complaints filed against it, if the licensee has a history of violation(s), or if the licensee has committed any unlawful acts and/or if there are allegations against the licensee that would constitute good cause as that term is defined herein. In the event that a hearing is scheduled, notice of such hearing shall be posted on the licensed premises for a period of 10 days prior to the hearing and the applicant shall be notified of such hearing at least 10 days prior to the hearing. The hearing and the more specific requirements of notice shall comport with the other provisions of these Regulations concerning public hearings. All renewal applications shall be approved by the Local Licensing Authority if no hearing is scheduled. The Local Licensing Authority may refuse to renew any license for good cause as that

term is defined in these regulations. If an applicant has been denied a local medical marijuana license(s) and/or a local retail marijuana license(s), then that applicant shall be required to wait 12 months before re-applying for a local medical marijuana license(s) and/or a local retail marijuana license(s) at that location, unless waived by the Local Licensing authority

06.01.03 Notwithstanding the provisions of the previous subsections of these Regulations, a licensee whose license has expired for not more than 90 days may file a late renewal application upon the payment of a nonrefundable late license fee of seven thousand five hundred dollars (\$7500.00) to the Local Licensing Authority. A licensee who files a late renewal application and pays the requisite fee may continue to operate until the Local Licensing Authority has taken final action to approve or deny the licensee's late renewal application.

06.01.04 The Local Licensing Authority shall not accept a late renewal application more than 90 days after the expiration of the licensee's permanent annual license. A licensee whose license has been expired for more than 90 days shall not, under any circumstances, cultivate, manufacture, distribute, test or sell any marijuana until a new required license has been obtained.

Part VII. Transfer of Ownership

Section 07.01 Transfer of Ownership Requirements

07.01.01 A license granted under the provisions of this Chapter shall not be transferrable to any other person except as provided in this Chapter.

07.01.02 For a transfer of ownership, a license holder shall apply to the State and local licensing authorities on forms specifically prepared and furnished for this purpose by the State Licensing Authority. In determining whether to permit a transfer of ownership, the Local Licensing Authority shall consider the requirements of the Colorado Marijuana Code. In addition, no application for a transfer of ownership will be considered by the Local Licensing Authority if, at the time of such application, the licensee is under a notice of violation or other unlawful acts issued by either the Local Licensing Authority or the State Licensing Authority.

07.01.03 The Local Licensing Authority may hold a hearing on a request for transfer of ownership, but not prior to the posting of a notice of said hearing on the licensed premises for a period of at least 10 days prior to the hearing and, further, a notice of the hearing must be issued to the applicant at least ten days prior to the hearing. Notice of such hearing and, further, the hearing itself, shall comply with the requirements for a hearing upon an application for a local license as are more particularly set forth in these Regulations.

Part VIII. Change of Licensed Location/ Modification of a Premise

Section 08.01 Change of Licensed Locations Requirements

08.01.01 A licensee may apply to the Local Licensing Authority to change the location previously approved for such license to any other place in unincorporated Adams County, but it shall be unlawful to cultivate, manufacture, distribute, test, store or sell medical or retail

marijuana at any such place or location until express permission to do so is granted by the State and the Local Licensing Authority.

08.01.02 A Retail Marijuana Establishment licensee in any Colorado jurisdiction may transfer its license to Adams County so long as the State approves the transfer and the applicant completes the application process set forth in these Regulations and otherwise complies with all the requirements of these Regulations and the Colorado Marijuana Code. It shall be unlawful to cultivate, manufacture, distribute, test, store or sell medical or retail marijuana at any such place or location until express permission to do so is granted by the State and the Local Licensing Authority.

08.01.03 All changes in location shall be subject to all of the requirements for new applications under these Regulations including a public hearing and the Local Licensing Authority shall consider all reasonable restrictions that are placed upon the current license and/or which may be placed upon the new location by the Local Licensing Authority pursuant to the hearing process set forth in these Regulations and provided the new location complies with the provisions of the Adams County Development Standards and Regulations

Section 08.02 Modification of a Premise

08.02.1 Any major modification to a premise that significantly affects the operation of an establishment must be approved by the Local Licensing Authority in advance. In addition, any modification to a premise must comply with all applicable Adams County codes and regulations.

Part IX. Dual Operation

Section 09.01 Dual Operation Requirements

09.01.01 A person who holds both a license to operate a Medical Marijuana Establishment and a license to operate a Retail Marijuana Establishment may operate both licenses in the same premises (“dual operation”) provided the licensee meets the requirements of the Colorado Marijuana Code and these Regulations.

09.01.02 A medical marijuana center licensee may also hold a retail marijuana store license and operate a retail business operation on the same licensed premises provided that the licensee does not authorize patients under the age of 21 years to be on the premises. The licensee must post signage that clearly states “You must be 21 years of age or older to enter this premises.” The licensee may display both medical marijuana and retail marijuana on the same sales floor, provided the licensee maintains virtual separation of its inventory. A medical marijuana center that authorizes medical marijuana patients under the age of 21 years to be on the premises cannot share its premises with a retail marijuana establishment and the two shall maintain distinctly separate licensed premises.

09.01.03 A medical marijuana optional premise cultivation operation licensee may also hold a retail marijuana cultivation license on the same premises. Persons operating dual medical

and retail cultivation operations shall maintain virtual separation of the facilities, marijuana plants, and marijuana inventory.

09.01.04 A medical marijuana-infused product manufacturer licensee may also hold a retail marijuana-infused product manufacturer license on the same premises. Persons operating a medical marijuana-infused products manufacturing business and a retail marijuana products manufacturing facility shall maintain virtual separation of the facilities, product ingredients, product manufacturing, and final product inventory.

09.01.05 No dual premises shall be permitted for a retail marijuana store or medical marijuana center and each premise licensed hereto shall designate either a retail marijuana store or a medical marijuana center.

Part X. Fees

Section 10.01 Operating and Renewal Fees

10.01.01 Operating fees and all other fees necessary for the administration, regulation, and implementation of these Regulations are as follows:

1. Initial Operating Fees
 - a. Medical Marijuana Center: \$15,000.00
 - b. Medical Marijuana Optional Premise Cultivation Facility: \$15,000.00
 - c. Medical Marijuana Infused Product Manufacturing Facility: \$15,000.00
 - d. Retail Marijuana Store: \$15,000.00
 - e. Retail Marijuana Cultivation Facility: \$15,000.00
 - f. Retail Marijuana Infused Product Manufacturing Facility: \$15,000.00
 - g. Retail Marijuana Testing Facility: \$15,000.00
2. Administrative Operating Fees
 - a. Change of Location Fee: \$15,000.00
 - b. Modification of Premises Fee: \$5,000
3. Annual Renewal Fees
 - a. Medical Marijuana Center: \$15,000.00
 - b. Medical Marijuana Optional Premise Cultivation Facility: \$15,000.00
 - c. Medical Marijuana Infused Product Manufacturing Facility: \$15,000.00
 - d. Retail Marijuana Store: \$15,000.00
 - e. Retail Marijuana Cultivation Facility: \$15,000.00
 - f. Retail Marijuana Infused Product Manufacturing Facility: \$15,000.00
 - g. Retail Marijuana Testing Facility: \$15,000.00
4. Late Renewal Fees
 - a. Late Renewal fees for all allowed establishments: \$7,500

10.01.02 The Board of County Commissioners may revise application, license and operating fees by resolution.

10.01.03 The Local Licensing Authority by rule or regulation shall set the due dates for any fee due pursuant to these Regulations.

Part XI. License Violations and Enforcement

Section 11.01 License Violations

11.01.01 It is a violation of the terms and conditions of every license issued under these Regulations to cultivate, manufacture, distribute, store, test or sell marijuana, except in compliance with the terms, conditions, limitations and restrictions in Sections 14 and 16 of Article XVIII of the State Constitution, the Colorado Marijuana Code, all state laws, rules and regulations, the provisions of these Regulations, the provisions of the Adams County Development Standards and Regulations, and any conditions imposed on a license. In addition to any criminal charges or penalties that may be imposed by law enforcement, any licensee who commits any violation of this section shall be subject to a summary suspension, a suspension, fines, and/or a revocation of its license.

11.01.02 It is a violation of these Regulations and, further, a violation of each license issued pursuant to these Regulations for a person or licensee to commit any act or omission that is unlawful pursuant to the Colorado Marijuana Code. In addition to any criminal charges or penalties that may be imposed by law enforcement, any licensee who commits any acts that are a violation of or unlawful pursuant to these Regulations and/or pursuant to the Colorado Marijuana Code shall be subject to a summary suspension, a suspension, fines, and/or a revocation of its license.

Section 11.02 Enforcement

11.02.01 In addition to any other civil or criminal sanction prescribed by Colorado law or rules promulgated pursuant thereto, the Local Licensing Authority has the power, on its own motion or on complaint, after investigation and opportunity for a hearing at which the licensee shall be afforded an opportunity to be heard, to fine, restrict, suspend or revoke a license issued by the Local Licensing Authority for a violation by the licensee or by any of the agents or employees of the licensee of the provisions of these Regulations, the Colorado Marijuana Code and/or of any of the other terms, conditions or provisions of the license issued by the Local Licensing Authority. Summary suspension, suspension, revocation and/or fines may be imposed by the Local Licensing Authority and in commencing and concluding such actions, the Local Licensing Authority shall comport with the provisions of the Colorado Marijuana Code.

11.02.02 In deciding whether a license should be fined, suspended or revoked in accordance with these Regulations, and in deciding what conditions to impose in the event of a suspension, if any, the Local Licensing Authority shall consider:

1. The nature and seriousness of the violation;
2. Corrective action, if any, taken by the licensee;
3. Prior violation(s), if any, at the licensed premises by the licensee and the effectiveness of prior corrective action, if any;

4. The likelihood of recurrence;
5. All circumstances surrounding the violation;
6. Whether the violation was willful;
7. The length of time the license has been held by the licensee;
8. The number of violations by the licensee within the applicable twelve (12) month period;
9. Previous sanctions, if any, imposed against the licensee;
10. Whether the licensee has a responsible vendor designation;
11. Whether the licensee supports other local businesses including without limitation the display of local art or use of local ancillary businesses;
12. Whether the licensee has contributed to or been involved in a charitable giving program; and
13. Any other factor making the situation with respect to the licensee or the licensed premises unique.

11.02.03 Notice of suspension or revocation shall be given by mailing the same in writing to the licensee at the licensee's last address of record with the Local Licensing Authority.

11.02.04 Any recommended conditions or agreements between the licensee and the Local Licensing Authority shall be presented to the Local Licensing Authority. The Local Licensing Authority in its discretion may accept such condition or agreement, or reject the condition.

11.02.05 Requests to pay a fine in lieu of serving a suspension period shall be heard by the Local Licensing Authority before the suspension period is set to begin.

11.02.06 The remedies provided in these Regulations are in addition to any other remedy provided by applicable law.

Part XII. Compliance with State Law

Section 12.01 Compliance Required

12.01.01 To the extent the State has adopted or adopts in the future any additional or stricter laws or regulations governing the sale or distribution of marijuana, the additional or stricter regulations shall control the establishment or operation of any Marijuana Establishment in Adams County.

12.01.02 Compliance with any applicable State law or regulation shall be deemed an additional requirement for issuance of any license under these Regulations, and noncompliance with any applicable State law or regulation shall be grounds for denial of a license and/or fines, administrative action, revocation, or suspension of any license issued hereunder.

12.01.03 Any Marijuana Establishment licensed pursuant to these Regulations 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 is in full compliance with any applicable State law or regulation.

Part XIV Storage Warehouses

Any person licensed pursuant to these Regulations may operate a storage warehouse for medical and/or retail marijuana provided they meet all the requirements of the Colorado Marijuana Code and all other state and local laws, rules and regulations, and provided that the storage warehouse is located in a place where warehouses are permitted and is otherwise in compliance with the Adams County Development Standards and Regulations.

Part XIV Judicial Review

Decisions by the Local Licensing Authority are subject to judicial review pursuant to C.R.S. § 24-4-106.

Part XIII. Severability

If any provision of these Regulations or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of these Regulations that can be given effect without the invalid provision or application, and to this end the provisions of these Regulations are declared to be severable.