

**TOWN OF PAONIA, COLORADO
ORDINANCE NO. 2021-01**

**AN ORDINANCE OF THE TOWN OF PAONIA, COLORADO AMENDING THE
PAONIA MUNICIPAL CODE CHAPTER SIX ARTICLE 4 CONCERNING THE
REGULATION AND LICENSING OF MEDICAL AND RETAIL MARIJUANA STORES
AND REPEALING ARTICLE 3 CONCERNING PROHIBITING MEDICAL
MARIJUANA STORES**

WHEREAS, Section 14 of Article XVIII of the Colorado Constitution, also commonly known as Amendment 20 of 2000, authorizes the medical use of marijuana.

WHEREAS, Section 16 of Article XVIII of the Colorado Constitution, also commonly known as Amendment 64 of 2012, authorizes a system of state licensing for businesses engaging in the cultivation, testing, manufacturing and retail sale of marijuana.

WHEREAS, Subsection 16(5)(f) of Article XVIII allows localities within their respective jurisdictions: to prohibit state licensing of marijuana establishments; to regulate the time, place and manner in which marijuana establishments may operate; and to limit the total number of marijuana establishments. The authority of localities to prohibit or regulate marijuana stores within their respective jurisdictions, including the authority to engage in local licensing of marijuana establishments, is also reflected in various provisions of the Colorado Retail Code, Article 43.4 of Title 12, C.R.S.; and

WHEREAS, at the Special Election held on November 3, 2020 , a majority of the voters of Paonia approved the following two ballot questions:

TOWN OF PAONIA BALLOT ISSUE 2C

SHALL THE ESTABLISHMENT AND OPERATION OF RETAIL AND MEDICAL MARIJUANA STORES BE PERMITTED IN THE TOWN OF PAONIA, COLORADO SUBJECT TO THE REQUIREMENTS OF THE COLORADO RETAIL MARIJUANA CODE AND REGULATIONS SET BY THE BOARD OF TRUSTEES?

TOWN OF PAONIA BALLOT ISSUE 2D

SHALL TOWN OF PAONIA TAXES BE INCREASED BY \$200,000.00 ANNUALLY IN THE FIRST FISCAL YEAR, AND SUCH AMOUNTS AS ARE RAISED ANNUALLY THEREAFTER, WITH THE LEVY OF AN OCCUPATIONAL TAX OF \$5.00 PER SALES TRANSACTION, EFFECTIVE JANUARY 1, 2021, ON THE SALE OF RETAIL AND MEDICAL MARIJUANA AND MARIJUANA PRODUCTS WITHIN THE TOWN OF PAONIA, WITH THE RESULTING TAX REVENUE USED FOR INFRASTRUCTURE REPAIR AND IMPROVEMENTS, INCLUDING BUT NOT LIMITED TO TOWN STREETS, SIDEWALKS, CURB, GUTTER, DRAINAGE, LANDSCAPING, LIGHTING AND STREETScape AMENITIES, THROUGH 2025, AND THEREAFTER ALLOCATED ANNUALLY BY THE BOARD OF TRUSTEES?

Published: June 2, 2021 in the Delta County Independent In effect: July 3, 2021

Which now must be implemented subject to zoning restrictions set forth in the Municipal Code and the licensing and other limitations, location restrictions and regulations provided for in this ordinance.

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF PAONIA, as follows:

Section 1. Chapter 6 of the Paonia Municipal Code is hereby amended to add a new Article 4, to read as follows:

**ARTICLE 4
PAONIA MARIJUANA CODE**

Sections:

| | |
|----------------|---|
| 6-4-10 | Purpose and legislative intent |
| 6-4-20 | Defined terms |
| 6-4-30 | Effective date; applicability |
| 6-4-40 | Local licensing authority |
| 6-4-50 | Relationship to Colorado Retail Marijuana Code; other laws |
| 6-4-60 | Unlawful acts |
| 6-4-70 | Classes of licensing authorized |
| 6-4-80 | Screening and response to state license applications |
| 6-4-90 | Licensing requirements—provisions applicable to all licenses |
| 6-4-100 | Location restrictions and license restrictions |
| 6-4-110 | Signs and advertising |
| 6-4-120 | Denial for good cause |
| 6-4-130 | Transfer of ownership |
| 6-4-140 | Change of location; modification of premises |
| 6-4-150 | Term of licenses; renewals |
| 6-4-160 | Suspension or revocation of license |
| 6-4-170 | Operating fees and License Term |
| 6-4-180 | Public nuisance |
| 6-4-190 | Occupational Tax on the sale of Marijuana |
| 6-4-200 | Penalty |

6-4-10 Purpose and legislative intent. The purpose of this Chapter 6, Article 4 is to exercise the authority of the Town of Paonia to allow state-licensed retail and/or medical marijuana stores to exist in Paonia in accordance with the applicable state laws and regulations as well as the additional local licensing requirements and other restrictions set forth herein. This Chapter is adopted pursuant to the aforesaid constitutional and statutory authority, as well as the Town’s plenary authority as a statutory town to adopt and enforce ordinances under its police power in order to preserve the public health, safety and general welfare and its authority to regulate businesses.

6-4-20 Defined terms.

Published: June 2, 2021 in the Delta County Independent In effect: July 3, 2021

The definitions set forth in Subsection 16 (2) of Article XVIII of the Colorado Constitution as well as the Colorado Retail Marijuana Code, § 12-43.4-103, C.R.S., as amended, shall apply equally to this Chapter 6. In addition, the following terms shall have the meanings respectively assigned to them:

A. "Applicant" is an agent under written authority, who applies on behalf of a domestic entity as defined under C.R.S. § 7-90-102(13) to operate a retail and/or medical marijuana store, so long as the written authority is signed by all controlling owners with more than twenty-five percent ownership interest in the domestic entity or its sub entities or an individual, if applying prior to forming a domestic entity.

B. "Block" is piece of land usually bounded on all sides by streets or other transportation routes such as railroad lines, or by physical barriers such as water bodies or public open space and not traversed by a through street. For the purpose of this ordinance, Block shall also include two sides of a municipal street. By way of example, there shall be only one retail and/or medical marijuana store for the 300 block of 2nd Street.

C. "Childcare center" means a facility maintained for the care of children under the age of sixteen (16), including, but not limited to, day camps, nursery schools, day care, preschools and playschools. Such facility shall be licensed by the Colorado Department of Human Services.

D. "Colorado Retail Marijuana Code" means Article 43.4 of Title 12 of the Colorado Revised Statutes, as amended, including all Rules promulgated pursuant to the Colorado Retail Marijuana Code as set forth in the Colorado Code of Regulations Department of Revenue Marijuana Enforcement Division 1 CCR 212.2.

E. "Retail marijuana establishment" means a retail marijuana cultivation facility, a retail marijuana products manufacturing facility, or a retail marijuana testing facility.

F. "Retail Marijuana Store" is an entity licensed to purchase marijuana from marijuana cultivation facilities and marijuana and marijuana products from marijuana product manufacturing facilities and to sell marijuana and marijuana products to consumers, as set forth in Section 16 of XVIII of the Colorado Constitution.

G. "School" means a public or private elementary, middle, junior high, or high school. (Note: "preschools" are included in the Town's definition of "childcare center").

H. "Land Development Regulations" means the zoning and land use regulations as adopted and updated periodically by the Town of Paonia pursuant to Chapter 16 of the Municipal Code.

I. "Marijuana License Cap" is the maximum licenses issued by the Town at any one time being no more than one (1) retail and/or medical marijuana store per commercial block, and no more than six (6) total licenses, and not more than three (3) total locations. At least one location shall be licensed to sell medical marijuana.

Published: June 2, 2021 in the Delta County Independent In effect: July 3, 2021

J. “Medical Marijuana Store” is a person licensed to operate a business under C.R.S. § 44-10-104, as amended, that sells medical marijuana to registered patients or primary caregivers as defined in Section 14 of Article XVIII of the Colorado Constitution, but is not a primary caregiver.

K. “Spot Zoning” The granting to a particular parcel or parcels of land a classification concerning its use that differs from the classification of other land in the immediate adjacent area.

6-4-30 Effective date; applicability.

This Article 4 shall be effective thirty (30) days after final adoption and publication in the newspaper of public record; and shall govern all applications submitted to the state licensing authority for licensing of any retail and/or medical marijuana store in the Town under the Colorado Retail Marijuana Code on and after that date.

6-4-40 Local licensing authority.

A. The Board of Trustees is hereby designated to act as the local licensing authority for the Town regarding retail and/or medical marijuana stores. Under any and all circumstances in which state law requires communication to the Town by the state licensing authority or any other state agency in regard to the licensing of retail and/or medical marijuana stores by the state, or in which state law requires any review or approval by the Town 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 Board.

B. Under no circumstances shall the Board of Trustees receive or act upon any application for local licensing of a retail and/or medical marijuana store in circumstances where the state has failed to act in accordance with Section 16 of Article XVIII of the Colorado Constitution, it being the intent of this Article that no retail and/or medical marijuana store may lawfully exist in the Town of Paonia absent the issuance of a state license and full regulatory oversight of the retail and/or medical marijuana store by the state, as well as the Town. Accordingly, the Board shall not receive or act upon any application for licensing submitted independently and in lieu of state licensing if the state fails to act within ninety (90) days on any specific application for licensing of a retail and/or medical marijuana store in accordance with paragraph 16(5)(g)(III) of Article XVIII of the Colorado Constitution.

C. Any decision made by the local licensing authority to grant or deny a license, to revoke or suspend a license, or to renew or not renew a license shall be a final decision and may be appealed to the district court pursuant to Rule 106(a)(4) of the Colorado Rules of Civil Procedure.

6-4-50 Relationship to Colorado Retail Marijuana Code; other laws.

Except as otherwise specifically provided herein, this Article 4 incorporates the requirements and procedures set forth in the Colorado Retail Marijuana Code. In the event of any conflict between the provisions of this Article 4 and the provisions of the Colorado Retail Marijuana Code or any other applicable state or local law, the more restrictive provision shall control, except that the location requirements and restrictions set forth in Section 6-4-100 shall apply in all situations of conflict between such provisions and the provisions of state law or regulation regarding matters where the exercise of discretion by local jurisdictions is granted by the constitution or laws of the State of Colorado.

6-4-60 Unlawful acts.

A. It shall be unlawful for any person to operate any retail and/or medical marijuana store in the Town without a license duly issued therefor by the state licensing authority under the Colorado Retail Marijuana Code and compliance with any and all applicable state laws.

B. It shall be unlawful for any person to operate any retail and/or medical marijuana store in the Town without a license duly issued therefor by the Board of Trustees under this Article 4 and compliance with any and all applicable Town laws.

C. It shall be unlawful for any person to engage in any form of business or commerce involving the storage, sale, distribution or consumption of marijuana other than those forms of businesses and commerce that are expressly contemplated by Sections 14 and 16 of Article XVIII of the Colorado Constitution and/or the Colorado Retail Marijuana Code.

D. It shall be unlawful for any licensed retail and/or medical marijuana store to sell, serve, distribute, or initiate the transport of retail and/or medical marijuana or retail and/or medical marijuana products at any time other than between the hours of 8:00 a.m. and 12:00 a.m. daily.

6-4-70 Classes of licensing authorized.

The Board, may issue and grant to the applicant a local license from any of the following classes, and the Town hereby authorizes the issuance of the licenses of the following classes by the state licensing authority within the Town, subject to the provisions, limitations and restrictions set forth in this Article 4:

A. Retail marijuana store.

B. Medical marijuana store.

(Note: A Retail Marijuana Store may be located on the same licensed premises as a Medical Marijuana Store and may be operated by the same licensee, subject to compliance with all state requirements and the requirements of this Town Marijuana Code, and the issuance of a state license allowing for such co-location.)

6-4-80 Screening and response to state license applications.

A. Upon receipt of notice from the state licensing authority of any application for a license under the Colorado Retail Marijuana Code, the Town Clerk shall:

1. Determine, in consultation with the Town Administrator, or his/her designee, whether the location proposed for licensing complies with any and all applicable zoning and land use laws of the Town, and any and all restrictions on location of retail and/or medical marijuana stores set forth in this Article 4. If the Town 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 Town’s laws, the Town shall, no later than forty-five (45) days from the date the application was originally received by the state licensing authority, notify the state licensing authority and the applicant for state licensing in writing that the application is disapproved by the Town. The failure of the Town to make such a determination upon the initial review of a state license application shall not preclude the Town from later determining that the proposed license is in violation of Town’s zoning laws or any other restriction on location set forth in Town laws and disapprove the issuance of a state or Town license on this basis.

2. For any application that is not disapproved as provided in paragraph 1 of this Subsection A, the Town shall notify the state licensing authority and the applicant for state licensing in writing that the Town’s further consideration of the application is subject to a local licensing process, and that the Town’s ultimate decision to approve or disapprove the issuance of the state license for a retail and/or medical marijuana store proposed to be located in the Town of Paonia will be subject to the completion of the local licensing process, as set forth in this Article 4, after which the Town will notify the state licensing authority in writing of whether or not the retail and/or medical marijuana store proposed in the application has or has not been approved by the Town.

6-4-90 Licensing requirements—provisions applicable to all licenses.

A. Criteria for licensing. The Board of Trustees shall consider and act upon all local license applications in accordance with the standards and procedures set forth in this Article 4. The Board may deny any application for a license that is not in full compliance with the Colorado Retail Marijuana Code, this Article 4, and any other applicable state or Town law or regulation. The Board also shall deny any application that contains any false or incomplete information.

B. Application forms and supplemental materials. All applications for local licensing shall be made upon forms provided by the Town and shall include such supplemental materials as required by the Colorado Retail Marijuana Code and rules adopted pursuant thereto, including by way of example: proof of possession of the licensed premises, disclosures related to ownership of the proposed business, fingerprints of the applicants, building plans, and security plans. To the extent any of the foregoing supplemental materials have been included with the applicant’s state license application and forwarded to the Town by the state licensing authority, the Town Clerk may rely upon the information forwarded from the state without requiring re-submittal of the same materials in conjunction with the local license application. The Town

may, at the Town's discretion, require additional documentation associated with the application as may be necessary to enforce the requirements of the Colorado Retail Marijuana Code and this Article 4.

C. Tax bond. Before the Board of Trustees issues a Town license to an applicant for a retail and/or medical marijuana store license, the applicant shall procure and file with the Town evidence of good and sufficient bond in the amount of twenty-five thousand dollars (\$25,000) with corporate surety thereon duly licensed to do business with the State of Colorado, approved as to form by the Town's Attorney, and conditioned that the applicant shall report and pay all Town sales and use taxes as provided by law. A corporate surety shall not be required to make payments to the Town claiming under such bond until a final determination of failure to pay taxes due to the Town has been made by the Finance Officer or a court of competent jurisdiction. All bonds required pursuant to this subsection shall be renewed at such times as the bondholder's license is renewed. The renewal may be accomplished through a continuation certificate issued by the surety.

D. Area maps. All applications for retail and/or medical marijuana store licensing submitted pursuant to this Article 4 shall include an area map drawn to scale indicating land uses of other properties within five hundred (500) feet of each boundary of the lot or parcel upon which the applicant proposes a licensed premise. The map shall depict the proximity of the property to be used as the licensed premises to any school or childcare facility of the type referenced in Section 6-4-100.

E. Notice of applications to departments and agencies. Upon receipt of an application for any class of local marijuana store license, the Town Clerk shall give notice of the application to the Town Administrator, the Finance Officer, the Building Official, the Chief of the Paonia Police Department, the Chief of the Paonia Fire Protection District #2 and appropriate county or local health officials. Any applicant for a license under this Article 4 shall obtain any and all necessary permits, licenses and other regulatory approvals from the other affected Town departments and agencies prior to the issuance of a license under this Article 4. The Town also will consider any recommendations made by the Paonia Fire Protection District #2.

F. Background checks and determination of good character and state residency. Prior to the issuance of any local license, the Board of Trustees shall make a finding as to the good moral character of the applicant and compliance with state residency requirements in accordance with the standards and procedures set forth in the Colorado Retail Marijuana Code, pursuant to C.R.S. 44-10-307. In so doing, the Board may incorporate into its findings any findings as to good character and residency previously made by the state licensing authority and rely upon such findings in making its determination. The Board shall not be required to perform a criminal background check if the state licensing authority has already performed a criminal background check on the applicant.

G. A license pursuant to this ordinance does not eliminate the need for the licensee to obtain other Town licenses and permits, including, but not limited to:

1. Any land use approval, if applicable;

2. State sales tax license; or
3. Building, mechanical, plumbing, electrical or permit(s).

6-4-100 Location restrictions and license restrictions

A. Permitted locations for sales. All retail and/or medical marijuana store licenses shall be issued for a specific fixed location which shall be designated the licensed premises. Except as provided in Subsection D, all sales, deliveries and other transfers of marijuana and marijuana products by a licensee shall be made at or from the licensed premises.

B. Distance from schools. No retail and/or medical marijuana store license shall be granted with respect to a proposed licensed premise that would be located within five hundred (500) feet of any school that existed at the time of the filing of a complete application for a retail and/or medical marijuana store license with the Town Clerk.

C. Distance from certain childcare facilities. No retail and/or medical marijuana store license shall be granted with respect to a proposed licensed premises that would be located within five hundred (500) feet of any licensed residential child care facility, as defined in Title 26 of the Colorado Revised Statutes, that existed at the time of the filing of a complete application for a retail and/or medical marijuana store license with the Town.

D. No mobile facilities and restrictions regarding deliveries.

1. No retail and/or medical marijuana store shall be located in a movable or mobile vehicle or structure.

2. No retail and/or medical marijuana or marijuana product shall be delivered in the Town unless under the following restrictions;

(i) such delivery is by a retail and/or medical marijuana store licensed by the state to another retail and/or medical marijuana store licensed by the state and the Town, and such delivery is specifically permitted by the Colorado Retail Marijuana Code; or

(ii) such delivery is by a retail and/or medical marijuana store licensed by the Town and also license by the state with a retail marijuana transporter license pursuant to C.R.S. 44-10-605 or a medical marijuana transporter license pursuant to C.R.S. 44-10-505.

3. All sales and distribution of marijuana and marijuana products by a licensed retail and/or medical marijuana store shall occur only upon the licensed premises, unless delivered by a licensed retail and/or medical marijuana transporter. However, in no event shall any sale or distribution of a Town licensed retail and/or medical marijuana store shall occur outside the limits of the Town.

E. Measurement of distance. Any distance specified in Subsection B or C of this section shall be computed by direct measurement from the nearest property line of the lot or parcel upon which a school or child care facility referenced in Subsection B or C is situated to the nearest property line of the land used or proposed for use as a licensed retail and/or medical marijuana store, using a route of direct pedestrian access, measured as a person would walk safely and properly, without trespassing, with right angles at crossings and with the observance of traffic regulations and lights.

F. Places where retail and/or medical marijuana stores are prohibited. No licensed retail and/or medical marijuana store shall be operated within the boundaries of any residential zone district of the Town as those boundaries exist at the time any complete application for any class of retail and/or medical marijuana store license is filed with the Town Clerk. Retail and/or medical marijuana stores shall only be operated within the boundaries of a C-1 or C-2 commercial zone district of the as those boundaries exist at the time any complete application is filed with the Town Clerk.

G. Any retail and/or medical marijuana licensee and location shall be in compliance with the Town's formula business ordinance, Sec. 16-3-140 of the Town Code.

H. The number of licenses in the Town are limited as follows:

1. The total number of Retail Marijuana Store licenses combined is limited to three (3).

2. The total number of Medical Marijuana Store licenses combined is limited to three (3).

3. A licensee and a licensed facility can have both a Retail Marijuana Store license and a Medical Marijuana Store license. However, a licensee cannot hold more than one (1) Retail Marijuana Store license and not more than one (1) Medical Marijuana Store license.

4. In no event shall there be more than six (6) total licenses, at three (3) locations, issued by the Town. There shall be at least one Medical Marijuana Store.

5. There shall be a maximum of one licensed facility per Block. The Town shall endeavor to prohibit Spot Zoning or the concentration of licenses.

I. All licensees shall put their license(s) to use within sixty (60) days of issuance. Should a license not be put to use sixty (60) days after the issuance date, the license shall be forfeited and revert to the Town. The Town Clerk is granted the authority to effectuate the forfeiture and return of any unused licenses.

6-4-110 Signs and advertising.

A. Any person or premises licensed as a retail and/or medical marijuana store shall comply with all Town ordinances regulating signs and advertising. In addition, no licensed retail and/or medical marijuana store shall use any advertising material that is misleading, deceptive,

Published: June 2, 2021 in the Delta County Independent In effect: July 3, 2021

or false, or that, as evidenced either by the content of the advertising material or by the medium or the manner in which the advertising is disseminated, is designed to appeal to minors.

B. For purposes of this section, the terms "advertise," "advertising" or "advertisement" mean the act of drawing the public's attention to a retail and/or medical marijuana store or retail and/or medical marijuana products manufacturer in order to promote the sale of retail and/or medical marijuana by the store or the manufacturer.

C. Except as otherwise provided in this Subsection C, it shall be unlawful for any person licensed under this Title or any other person to advertise any retail and/or medical marijuana or retail and/or medical marijuana product anywhere in the Town where the advertisement is visible to members of the public from any street, sidewalk, park or other public place, including advertising utilizing any of the following media: any billboard or other outdoor general advertising device as defined by the zoning code; any sign mounted on a vehicle, any hand-held or other portable sign; or any handbill, leaflet or flier directly handed to any person in a public place, left upon a motor vehicle, or posted upon any public or private property without the consent of the property owner. The prohibition set forth in this paragraph shall not apply to:

1. Any sign located on the same zone lot as a retail and/or medical marijuana store which exists solely for the purpose of identifying the location of the retail and/or medical marijuana store and which otherwise complies with the Town's sign code, Chapter 18, Article 6 of the Town Municipal Code, and any other applicable Town laws and regulations; or

2. Any advertisement contained within a newspaper, magazine, or other periodical of general circulation within the Town; or

3. Advertising which is purely incidental to sponsorship of a charitable event by a retail and/or medical marijuana store or a retail and/or medical marijuana products manufacturer.

6-4-120 Denial for good cause.

A. The Board of Trustees shall have authority to refuse to issue or renew any retail and/or medical marijuana store license for good cause, subject to judicial review. For purposes of this section, the term "good cause" means:

1. The applicant has violated, does not meet, or has failed to comply with any of the terms, conditions, or provisions of the Colorado Retail Marijuana Code or any rules and regulations promulgated pursuant thereto, or this Title 4 or any rules and regulations promulgated pursuant to this Title;

2. Evidence that the issuance or renewal of the license will adversely impact the health, welfare or public safety of the immediate neighborhood in which the retail and/or medical marijuana store is located or is proposed to be located; or

3. Evidence that the licensee or applicant has failed to comply with any special terms or conditions that were placed upon the license pursuant to an order of the State Licensing Authority or an order of the Local Licensing Authority.

B. Any decision of the Board of Trustees to approve or deny any license application shall be in writing, stating the reasons therefor.

6-4-130 Transfer of ownership.

Transfer of ownership of any local license issued pursuant to this Article 4 shall be governed by the standards and procedures set forth in the Colorado Retail Marijuana Code and any regulations adopted pursuant thereto, and the Board of Trustees shall administer transfers of local licenses in the same manner as the state licensing authority administers transfers of state licenses. A license must be held by the licensee for at least one year from the date of issuance by the Local Licensing Authority before it may be transferred.

6-4-140 Change of location; modification of premises.

Change of location of any license or any modification of the licensed premises shall be governed by the standards and procedures set forth in the Colorado Retail Marijuana Code and any regulations adopted pursuant thereto, and the Board of Trustees shall administer applications to change location or modify premises in the same manner as the state licensing authority administers changes of location and modification of premises for state licenses. Any proposed modification and any new location to which an existing licensed business is transferred shall fully comply with the location requirements and the requirements for conformance with current zoning as set forth this Title 4.

6-4-150 Term of licenses; renewals.

Any local license issued pursuant to this Title shall be valid for a period of one (1) year from the date of issuance. Any renewal of the license shall be governed by the standards and procedures set forth in the Colorado Retail Marijuana Code and any regulations adopted pursuant thereto, and the Board of Trustees shall administer license renewals in the same manner as the state licensing authority administers renewals of state licenses. An application for renewal shall be made to Staff not less than sixty (60) days prior to the date of expiration and concurrent with the application for renewal filed with the state licensing authority, as required.

6-4-160 Suspension or revocation of license.

A. A license may be suspended or revoked by the Board of Trustees for any of the following reasons:

1. Fraud, misrepresentation, or a false statement of material fact contained in the license application;

2. A violation of any Town, State or Federal law or regulation, other than federal law or regulation concerning the production, transportation, possession, sale or distribution of marijuana that conflicts with Amendment 64;

3. A violation of any of the terms and conditions of the license, including any special conditions of approval imposed upon the license;

4. A violation of any of the provisions set forth in this ordinance; or

5. Cessations of operation at the center for more than thirty (30) days.

B. The Town shall notify the licensee of the issuance of a show cause order to suspend or revoke the license. Notice shall be given by mailing a copy or served by the Paonia Police Department of the order to the licensee by registered mail to the address shown on the license. Notice is deemed to have been properly given upon mailing.

C. A hearing shall then be scheduled before the Board of Trustees within forty-five (45) days of the notice of the show cause order. Such hearing may be continued for good cause. The burden of proof at the hearing shall be on the Town.

D. If the Board of Trustees finds a preponderance of the evidence that the allegations in the show cause order are sustained, the Board of Trustees shall issue such order in writing to the licensee within ten (10) days.

E. Upon such findings, the Board of Trustees shall have the power to revoke, suspend, and/or place additional reasonable conditions on the license.

6-4-170 Operating Fees and License Term.

A. When the application is filed, the applicant shall pay to the Town the applicable application and other fees, as set forth by resolution.

B. Any renewal application filed late will be subject to a late fee and Staff has no authority to waive such late fee.

C. If an application is approved, the applicant shall pay an annual operating fee, if applicable, in such amount as may established from time to time by the Board of Trustees as adopted from time to time by Resolution.

D. Each license issued pursuant to Article 4 shall be valid for a period of one (1) year from the date of issuance and may be renewed as provided in Section 150.

E. All other fees shall be set by and may be subject to amendment via resolution.

F. All fees shall be non-refundable.

6-4-180 Public nuisance.

A. The unlawful cultivation, manufacturing, sale, offer for sale, or distribution of retail and/or medical marijuana without a license is hereby declared to be a nuisance which may be abated or otherwise dealt with in accordance with the provisions of the Paonia Municipal Code.

6-4-190 Occupational Tax on the sale of marijuana.

There shall be an occupational tax of Five Dollars (\$5.00) per sales transaction on the sale of retail and medical marijuana and marijuana products within the Town as further defined in Chapter 4 of the Town Code.

6-4-200 Penalty.

Failure to comply with the provisions of this Chapter 6, Article 4, shall constitute a violation, and in addition to being grounds for denial, suspension or revocation of a license, such violation may be punished by a civil penalty of not less than Two Thousand Dollars (\$2,000.00) nor more than Five Thousand Dollars (\$5,000.00), per violation. Each day of noncompliance may constitute a separate violation. Prosecution of a violation of this Chapter 6, Article 4 shall be by the Town Municipal Court.

Section 2. Severability.

If any provision, clause, sentence or paragraph of this Ordinance or the application thereof to any person or circumstance shall be held invalid, such invalidity shall not affect the other provisions of this Ordinance which can be given effect without the invalid provision or application, and, to this end, the provisions of this Ordinance are declared to be severable.

Section 3. Repeal of Prior Ordinances.

All other ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 4. Ordinance Effect.

Existing ordinances or parts of ordinances covering the same matters as embraced in this Ordinance are hereby repealed and any and all ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed; provided, however, that the repeal of any ordinance or parts of ordinances of the Town shall not revive any other section of any ordinance or ordinances hereto before repealed or superseded, and further provided that this repeal shall not affect or prevent the prosecution or punishment of any person for any act done or committed in violation of any ordinance hereby repealed prior to the taking effect of this Ordinance.

Section 5. Effective Date.

This Ordinance shall take effect thirty (30) days after passage and publication.

Published: June 2, 2021 in the Delta County Independent In effect: July 3, 2021

INTRODUCED, READ AND REFERRED before the Board of Trustees for the Town of Paonia, Colorado, on the 24th day of March, 2021.

HEARD AND FINALLY ADOPTED by the Town of Paonia Board of Trustees for the Town of Paonia, Colorado, on the 27th day of April, 2021.

TOWN OF PAONIA

By: _____ s/s _____
Mary Bachran, Mayor

ATTEST:

_____ s/s _____
Corinne Ferguson, Town Administrator/Clerk