



city of

PUEBLO

colorado

Pueblo Retail Marijuana

Rules and Regulations

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Edition 2

**RETAIL MARIJUANA
RULES AND REGULATIONS**
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Rule 100 Series: General Applicability

Rule 101: Purpose and Intent.

Section 16, Article XVIII of the Colorado Constitution (the “Recreational Marijuana Amendment” also known as Amendment 64) permits personal use of marijuana by persons aged twenty-one (21) years and older under Colorado law. To enact, restrict, and enforce the state constitution, the General Assembly enacted the Colorado Marijuana Code, Article 10 of Title 44, C.R.S. (the “CMC”). In addition, the Colorado Department of Revenue adopted 1 CCR 212-3, the state marijuana rules. The CMC and the state marijuana rules authorize counties and municipalities to determine whether to permit, as a matter of state law, certain retail (i.e. non-medical) marijuana establishments within their jurisdictions.

As permitted under Amendment 64, the Pueblo City Council has determined to allow retail marijuana establishments in the city on the condition that the establishments are operated in compliance with all applicable state and local laws. The City Council has adopted Chapter 11 of Title XI of the Pueblo Municipal Code (the “PMC”) related to the licensing regulation of retail marijuana establishments, hereinafter referred to as the “Retail Marijuana Code”. The Retail Marijuana Code created the Local Licensing Authority and vested it with authority to promulgate regulations as necessary for proper administration and enforcement.

The purpose of these regulations is to establish specific standards and procedures for local licensing of retail marijuana-related establishments and to protect the health, safety, and welfare of the residents and consumers of the City of Pueblo (the “city”) by prescribing the manner in which retail marijuana establishments can be conducted in the city. Retail marijuana establishments are a heavily regulated industry in the state and city. The city has a zero-tolerance policy for violations of any marijuana ordinance or the regulations contained herein.

By enacting these regulations, the city does not intend to encourage or promote the establishment of any business or operation, or the commitment of any act, that constitutes or may constitute a violation of state or federal law. As of the date of the enactment of these regulations, the use, possession, distribution, and sale of marijuana is illegal under federal law and those who engage in such activities do so at their own risk of criminal prosecution.

City Council finds that the cultivation, manufacture, distribution, testing, possession, sale and use of retail marijuana may be harmful to public health, safety and welfare if not carefully regulated. This Retail Marijuana Code is designed to protect public health, safety and welfare from the potential adverse effects of retail marijuana, while permitting retail marijuana to be cultivated, manufactured, distributed, tested, possessed, sold and used in accordance with law. City Council further finds and

declares that the subject matter of the Retail Marijuana Code is a matter of local and municipal interest.

Rule 102: Defined Terms.

The definitions contained in Section 44-10-103 of the CMC and the state marijuana rules shall apply equally to these regulations except where specifically defined below. In case of conflict, the definitions found in the Pueblo Municipal Code shall apply.

Adjacent grounds means all areas that the licensee has a right to possess by virtue of his or her ownership or lease, which are outside the enclosed licensed premises, but adjacent and contiguous to the licensed premises, including but not limited to porches, patios, decks, entryways, lawns, parking lots and similar areas and all fixed and portable things in those areas, including but not limited to lights, signs, speakers and security devices.

Approve a license means to find that the requirements for a license have been met, but does not give the applicant the right to operate a retail marijuana facility until the license is issued.

Authority means the Pueblo Retail Marijuana Licensing Authority.

Character and record includes all aspects of a person's character and record, including but not limited to moral character, criminal record, serious traffic offenses, record of previous sanctions against liquor licenses, medical marijuana licenses, retail marijuana licenses or other licenses, which the person owned, in whole or in part, or in which the person served as a principal, manager or employee; education, training, experience, civil judgments, truthfulness, honesty and financial responsibility. The conviction of any person for any offense shall not, in itself, be grounds for a finding of bad character and record if such person demonstrates that he or she has been rehabilitated, but rehabilitation shall not be considered if a provision in these rules and regulations declares that the offense is a per se disqualification.

Complaint means a document filed with the Authority by the City, any of its Departments or the Authority itself, seeking sanctions against a retail marijuana license.

Contiguous means located within the same building as the retail marijuana establishment, located in a separate building on the same parcel of land as the retail marijuana establishment, or located in a separate building on a separate parcel of land that is adjacent to and shares at least fifty percent (50%) of a common lot line with the lot on which the retail marijuana establishment is located.

Employee means the licensee's or proposed licensee's employees.

Financier means any person lending, paying or providing funds, directly or indirectly, to pay any part of the costs of: operating the retail marijuana facility, including but not limited to the costs of rent, mortgage payments, utilities, debt payments, supplies, product, equipment, advertising, vehicles, salary and wages.

Harm or harmful to public health, safety or welfare means any matter that adversely affects the health, safety or welfare of any person or group of persons within the City of Pueblo or any adjacent community, including but not limited to matters related to crime, lighting, security, traffic, graffiti, loitering, litter, parking and noise. A showing of actual harm shall not be required and a showing of potential or threatened harm shall be sufficient. Any violation of any criminal statute or ordinance is per se substantially harmful to public health, safety and welfare, without any showing of actual or threatened harm. The mere possession, advertising, sale, cultivation, manufacturing, testing, processing, smoking or ingestion of retail marijuana and retail marijuana products, when performed lawfully, shall not in itself be considered harmful to public health, safety and welfare.

In public means any area that the public may generally enter, including any business open to the public. The term includes the licensed premises and the adjacent grounds. The term includes persons in motor vehicles located in a public place.

Issue a license means to finalize the license after a previous approval of the license, and may or may not occur after approval of the license, depending on any completions, inspections, approvals or conditions that the Authority may require to be satisfied before issuance. Issuance gives the licensee the right to operate a retail marijuana establishment, provided that the licensee also obtains a State license.

Licensee means the person or entity holding a retail marijuana license under Chapter 11, Title XI, of the PMC.

Licensed premises means the area inside a building in which the cultivation, manufacture, testing, processing, possession, weighing, display, packaging, sale and exchange of retail marijuana or marijuana products is licensed under Chapter 11, Title XI, of the PMC.

Marijuana or retail marijuana, except where the context clearly indicates otherwise, means growing marijuana plants, harvested marijuana in any condition and retail marijuana products of all kinds.

Operate or operation means conducting business as described in the Operating Plan per Rule 801.3 and the Security Plan per Rule 812.1.

Permit when used as a verb means to:

- (a) Participate in or contribute to an act, conduct or omission;
- (b) Consent to or condone an act, conduct or omission;
- (c) Know or have reason to know that an act, conduct or omission is or may be occurring, or probably will occur unless steps are taken to prevent the same, and failing to take reasonable steps to halt, thwart or prevent the same; or
- (d) Ignore, avoid knowledge or notice of, or turn a blind eye to an act, conduct or omission that may be occurring.

Person means any natural person or any entity.

Principal means a controlling beneficial owner pursuant to C.R.S. § 44-10-103, including, but not limited to, a natural person, business entity, publicly traded corporation, or qualified private fund that acting alone or in concert owns or acquires beneficial ownership of ten percent (10%) or more of an ownership interest in the licensed business, is an affiliate that controls the business, including any manager, or that is in a position to control the business and is not a licensed Retail Marijuana Business Operator.

Publicly traded corporation means any person other than an individual that is organized under the laws of and for which its principal place of business is located in one of the states or territories of the United States or District of Colombia or another Country that authorizes the sale of marijuana and that meets the definition and qualifications of a publicly traded corporation as promulgated by the State of Colorado.

Retail marijuana district shall mean the geographic area in which retail marijuana stores may be located. There shall be two Retail Marijuana Districts. The North Retail Marijuana District shall be that area of the City located north of the Arkansas River. The South Retail Marijuana District shall be that area of the City located south of the Arkansas River.

Retail marijuana establishment means a retail marijuana cultivation facility, a retail marijuana products manufacturer, a retail marijuana testing facility or a retail marijuana store.

Retail marijuana license means any of the licenses described in Rule 202.4.

Serious traffic offense means any driving offense carrying eight (8) points or more under Section 42-2-127, C.R.S., or the substantial equivalent of such offense in any other State.

Rule 103: Effective Date and Applicability.

These regulations shall be effective on December 28, 2016 and shall govern all applications submitted to the city on and after that date for licensing of any retail marijuana establishment in the city under the CMC and the PMC.

Rule 104: Relationship to Other Laws.

The city intends to follow and incorporate all requirements and procedures set forth in the CMC and the state marijuana rules. The provisions in these regulations that are different from the applicable state law are consistent with the city's responsibility to protect the public health, safety, and welfare as authorized by applicable law, and by the home rule authority granted to the city by Article XX of the Colorado Constitution and the charter of the city. Where these regulations conflict with the state regulations, the more restrictive regulations shall apply.

The provisions of Chapter 1, Title IX, of the Pueblo Municipal Code, shall apply to the Retail Marijuana Code except where they may be inconsistent with the provisions of the Retail Marijuana Code, in which case the most restrictive regulation shall control.

Whenever possible, these regulations and any licenses issued under these regulations shall be construed to comply with federal law, specifically including the Controlled Substances Act (21 U.S.C. 801 et seq.).

Rule 105: Severability.

If any provision of these regulations is found to be invalid by a court of competent jurisdiction, only the provision subject to the court decision shall be repealed or amended. All other provisions shall remain in full force and effect.

Rule 200 Series: Licensure

Rule 201: Local Licensing Authority.

- 201.1 Creation and Purpose. Article II of Chapter 11, Title XI, of the PMC, establishes the Retail Marijuana Licensing Authority for the purpose of regulating and controlling the licensing and sale of retail marijuana in the city pursuant to the local licensing provisions of the CMC. The Authority shall serve as the primary point of contact and shall have the final authority of review and approval on all such matters.
- 201.2 The Board appointed by City Council to serve as the Authority shall consist of five (5) members, who shall be residents of the City. Five (5) members shall be initially appointed for staggered terms expiring on the first day of July as follows: one (1) member for a one-year term, one (1) member for a two-year term, one (1) member for a three-year term, and two (2) members for four-year terms. Thereafter, each member shall be appointed for a term of four (4) years. At the Board's first regular meeting and on the anniversary of the first meeting and each year thereafter, the Board shall appoint one (1) of its members to act as Chair of the Board. The City Council shall make an appointment for any unexpired term in the event a vacancy arises.
- 201.3 Any member of the Board may be removed by the City Council for nonattendance to duty or for cause. Any member who fails to attend three (3) consecutive meetings of the Board shall be removed from the Board, unless the City Council excuses any such absences.
- 201.4 Duties. The Authority, along with the state licensing authority, shall enforce compliance with these rules and regulations, the PMC, the state marijuana rules, and the CMC. Any other state regulations will be enforced by the state licensing authority.
- 201.5 Powers. The Authority shall have the power:
- (a) To issue or deny retail marijuana licenses and renewals of the same within the City.
 - (b) To impose sanctions on any license issued by the Authority on its own motion or on complaint by the City for any violation by the licensee after investigation and public hearing at which the licensee shall be afforded an opportunity to be heard.
 - (c) To issue approvals and disapprovals as provided in these Rules and Regulations.
 - (d) To conduct hearings, grant or deny motions, make findings and orders, administer

oaths, and issue subpoenas to require the presence of persons and the production of papers, books and records necessary to the determination of any hearing which it is authorized to conduct.

- (e) To control the mode, manner and order of all proceedings and hearings.
- (f) To adopt rules, procedures and policies for its own proceedings.
- (g) To adopt rules and policies for filing applications and requests.
- (h) To adopt application forms and submission requirements, including a requirement that applications, complaints and other documents be filed in a digital format approved by the Authority and to refuse applications, complaints and other documents not filed in the approved digital format.
- (i) To perform any act that the Authority is authorized to perform under these Rules and Regulations.
- (j) To perform any other act that may be implied or necessary to carry out any act that the Authority is authorized to perform under these Rules and Regulations.
- (k) To promulgate such rules and regulations deemed necessary to properly administer and enforce Chapter 11, Title XI, of the PMC and may exercise all other powers and duties as are set forth in Chapter 11, Title XI, of the PMC, as well as those set forth in the Colorado Marijuana Code and Subsection 5(f) of Section 16 of Article XVIII of the Colorado Constitution. The Authority shall provide all proposed rules and subsequent changes thereto to City Council for approval by Resolution.

201.6 In the event that any person, in the immediate presence of the Authority or within its sight or hearing, while the Authority is in session during a hearing, commits a direct contempt of the Authority by speech, gesture or conduct which disobeys a lawful order of the Authority, shows gross disrespect to the Authority tending to bring the Authority into public ridicule, or substantially interferes with the Authority's proceedings, the Authority may hold such person in contempt. Contemptuous conduct by any principal, registered manager or employee shall be imputed to the licensee.

201.7 The Authority may impose the following sanctions for contempt:

- (a) Removal of the person committing the contempt from the proceedings, the hearing room and its environs;

- (b) Public censure, which shall be made a matter of the licensee's record and may be used as an aggravating factor in determining any fine, suspension or revocation;
 - (c) A prohibition against the individual or licensee introducing into the record testimony, documents, exhibits or other evidence;
 - (d) An order striking, disregarding and refusing to consider pleadings, applications, documents, objections, testimony, exhibits or other evidence or arguments already introduced by such person;
 - (e) A fine, enforced by suspension of the license until the fine is paid;
 - (f) Default of any motion, complaint or other action then pending against the licensee; or
 - (g) Denial of any application by the licensee then pending before the Authority.
- 201.8 Quorum and majority vote. A majority of the Board shall constitute a quorum for the conduct of its business. All decisions of the Board shall be by majority vote of the Board members present at a meeting where a quorum has been established.
- 201.9 The requirements and procedures set forth in the Colorado Code of Ethics, C.R.S. 24-18-101 et seq. and C.R.S. 31-4-404 are hereby incorporated. The position of Board member creates a public trust and fiduciary duty, and the Board member shall carry out his or her duties for the benefit of the people of the city. A member of the Board who has a personal or private interest in any matter proposed or pending before the Board shall disclose such interest to the Board and shall not vote thereon and shall refrain from attempting to influence the decisions of the other members of the Board in voting on the matter. A member of the Board may vote notwithstanding this section if his or her participation is necessary to obtain a quorum or otherwise enable the Board to act and if he or she complies with the voluntary disclosure procedures under C.R.S. 24-18-110.
- 201.10 Actions taken by the Authority are subject to review by the courts pursuant to Rule 106 of the Colorado Rules of Civil Procedure. Review must be applied for within twenty-eight (28) days after the date of decision. Any person applying to the Court for review shall be required to pay the cost of preparing a transcript of proceedings before the Authority whenever such a transcript is necessary for purposes of the appeal.

Rule 202: Licenses.

- 202.1 Licensure Required. It is unlawful for any person to operate a retail marijuana establishment in the city without obtaining a local license to operate. A valid license from the State of Colorado is also required as provided by the CMC.
- 202.2 Relationship to Other Laws. The license requirements in these regulations 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. The license does not provide any exception, defense, or immunity to any person in regard to any potential criminal liability the person may have for the production, distribution, or possession of marijuana. Upon denial or revocation of a state license, any license issued under these regulations shall be null and void. If a court of competent jurisdiction determines that the issuance of local licenses violates federal law, all licenses issued under these regulations shall be deemed immediately revoked by operation of law, with no ground for appeal or other redress on behalf of the licensee.
- 202.3 No entitlement or vested right. No person shall have any entitlement or vested right to licensing under these regulations. Operation of a retail marijuana establishment is a revocable privilege and not a right in the city. The applicant bears the burden of proving that all qualifications for licensure have been satisfied.
- 202.4 Classes of Licensure. The Authority may issue the following types of local licenses authorized under the CMC:
- (a) Retail marijuana store license;
 - (b) Retail marijuana cultivation facility license;
 - (c) Retail marijuana product manufacturing facility license; and
 - (d) Retail marijuana testing facility license.
- 202.5 Every license issued confers only a limited and conditional privilege subject to the requirements, conditions, limitations and qualifications of these rules and State law. The license does not confer a property right of any kind. The license and the privilege created by the license may be further regulated, limited or completely extinguished at the discretion of City Council or the electorate of the City, as provided in Chapter 11, Title XI, of the PMC, without any compensation to the licensee.
- 202.6 Every license approved or issued shall be subject to the future exercise of the reserved rights

of referendum and initiative, exercise of the options described in Section 16(5)(f) of Article XVIII of the Colorado Constitution and Section 44-10-104, C.R.S., and any other future ordinances adopted by a vote of the people of the City of Pueblo or City Council. Nothing contained in these Rules and Regulations grants to any licensee any vested right to continue operating as they existed at the time the license was approved or issued, and every license shall be subject to any ordinance or prohibition adopted after the license was approved or issued.

- 202.7 In the event that the people of the City of Pueblo, by a majority of the registered electors of the City, at a regular or special election, or a majority of City Council, vote to prohibit by ordinance the licensing and operation of retail marijuana establishments within the City of Pueblo, pursuant to Section 16(5)(f) of Article XVIII of the Colorado Constitution and Section 44-10-104, C.R.S., then every license issued or approved, which is prohibited under such ordinance, shall be deemed void and the operation of any retail marijuana establishment prohibited under the ordinance shall become illegal on the effective day of the ordinance.
- 202.8 Every license is separate and distinct and is tied to a specific location with specific conditions. The license cannot be assigned, delegated, sold, inherited or otherwise transferred between persons or transferred to a different location, except as provided in these rules and the PMC. No licensee shall exercise the privileges of any other license or assign the privileges of its own license.
- 202.9 Term of license. Every license shall be valid for one (1) year from the date it is issued unless the license is earlier suspended or revoked. Notwithstanding anything contained in this article, a license has no vested right to renewal of a license, and no property right in the renewal of a license.
- 202.10 No person shall operate a retail marijuana establishment unless he or she has first obtained the following and maintains the same in full force and effect:
- (a) A conditional use permit, issued by the Director of Planning and Community Development, for the location of the proposed licensed premises;
 - (b) The necessary City sales and use tax license and excise tax license;
 - (c) The necessary State sales and use tax license and excise tax license;
 - (d) Ownership of, or a lease in effect on, the proposed licensed premises;

- (e) A City license to operate any other business that will be conducted on the licensed premises; and
- (f) A conditional State license to operate a retail marijuana establishment.

Rule 300 Series: Application

Rule 301: Application Procedure.

- 301.1 **Start Date.** The Authority, at its discretion, shall determine the dates it will accept applications for retail marijuana establishment licenses. The Authority will give notice by publication in a newspaper of general circulation, at least fourteen (14) days prior to the pre-application meeting date. The pre-application meeting date shall be at least fourteen (14) days prior to the opening of any application period. The Authority will give notice by publication in a newspaper of general circulation, at least fourteen (14) days prior to the start of an application period. The application period shall run for thirty (30) days, unless otherwise stated in the notice given by the Authority.
- 301.2 **State Application Required.** Filing a local application for a retail marijuana establishment with the city does not constitute an application with the State of Colorado. A separate state application process must be followed through the Colorado Department of Revenue Marijuana Enforcement Division.
- 301.3 **Pre-Licensing Process for Retail Marijuana Stores.** Prior to submitting a formal application for a retail marijuana store license, an applicant may submit an interest card to the Authority. All prospective applicants are encouraged to attend a pre-licensing meeting prior to submitting an application for a retail marijuana store license.
- (a) **Interest Card.** The purpose of the form is to notify the city that you are interested in filing an application and want to be notified of future pre-application meetings and application openings. These forms can be obtained from the Clerk of the Authority or applicants may submit their interest on the City of Pueblo Notify Me online system at www.pueblo.us/RMJStores. The City of Pueblo will make reasonable efforts to contact anyone submitting interest cards to notify of upcoming application periods or meeting dates; however, submitting an interest card will not guarantee that notice will be provided by the City. Those submitting interest cards are responsible for meeting all application deadlines and requirements regardless of whether the City provided them with personal notice of the same.
- (b) **Pre-Application Meeting.** The purpose of this meeting is for the applicant to inform the city of the size, scope and feasibility of the proposed retail marijuana establishment and for the city to provide the applicant a more complete understanding of the licensing process. Pre-application meetings are encouraged for all applicants.

- 301.4 Application Materials. All applications for retail marijuana establishment licenses shall be made upon forms provided by the Authority, which may require any information, document or photograph relevant to any requirement for a license under State law, the Pueblo Municipal Code, these Rules and Regulations, or relevant to any condition that may be imposed on the license, and shall include the requirements and supplemental materials as attachments to the application as determined by the Authority.
- 301.5 The entire application shall be verified under oath by each principal in the applicant's business. The registered manager and employees shall verify under oath the portions of the application that pertain to each of them.
- 301.6 The applicant shall submit to the Authority the original application and eight (8) copies of the application. Each copy shall include color photographs. The Authority shall provide copies to the Police Department, the City's Department of Planning and Community Development and the City's Law Department.
- 301.7 Complete Application. The city will not accept an incomplete application. An application shall not be considered complete until the Authority has:
- (a) Determined that all requirements of the application and required attachments have been provided to the city;
 - (b) Background check of each person received, although the Authority in its discretion may accept a State marijuana identification card in lieu of a city background check;
 - (c) Received all required plan approval forms from the applicant;
 - (1) For retail marijuana store facilities, the plan approval forms shall be required within one hundred twenty (120) days of the application approval by the Authority. The applicant may submit a written request for additional time to complete plan approvals at least thirty (30) days prior to the expiration of the one hundred twenty (120) days. Any such written request must state the reasons for the request and the additional time necessary to complete the plan approvals. The Authority may approve the request if it determines there was good cause for the delay, the applicant can reasonably complete the plan approvals within the additional time requested, and the additional time will not defeat the competitive application process.
 - (d) Received the local share of the application fee from the State of Colorado;
 - (e) Received any applicable fees from the applicant;

- (f) Obtained all other information the Authority determines necessary to make a decision whether to approve or deny the license application, or approve it with conditions; and
 - (g) Been shown a Conditional Use Permit issued by the Planning and Community Development Department for the proposed property.
- 301.8 Waiver or Additional Requirements. The Authority may, at its discretion, waive or provide additional time for specific submission requirements, or require the submission of additional materials as may be useful in making a determination under these regulations. 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 Authority may rely upon the information forwarded from the state without requiring resubmittal of the same materials in conjunction with the local license application.
- 301.9 The applicant has a continuing duty to notify the Authority of changes to any information submitted in the application during the duration of the application process and license.
- 301.10 Amendments to application for retail marijuana stores. After an application is accepted as complete, it may be amended or supplemented in writing before the end of the closing date for accepting applications. No amendments or supplements will be accepted after the application period closes. Each amendment or supplement shall be verified under oath by each principal, and the registered manager and employees shall verify under oath the portions of any amendment or supplement that pertain to each of them. The applicant shall submit to the Authority the original of each amendment or supplement and eight (8) copies.
- 301.11 Amendments to applications for all other types of retail marijuana licenses. After an application is accepted as complete, it may be amended or supplemented in writing before the application is set for hearing, but each amendment or supplement shall be verified under oath by each principal, and the registered manager and employees shall verify under oath the portions of any amendment or supplement that pertain to each of them. The applicant shall submit to the Authority the original of each amendment or supplement and eight (8) copies.

Rule 302: Fees.

- 302.1 Authority and Process. The city is authorized to impose fees relating to the administration and implementation of the ordinance and these regulations. At least annually, the amount of fees charged pursuant to this rule 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 the ordinance. All fees are approved by the City Council

by resolution.

302.2 Operating Fees. An applicant for a new retail marijuana establishment license and for a renewal shall pay to the city an operating fee at the time of license issuance. Other fees may be imposed in the future as necessary for the city to recover the costs of the retail marijuana establishment licensing and inspection programs.

302.3 Licensing Fee Schedule. The following fees shall apply to all retail marijuana establishment licenses:

Application Fees

Application packet for new license	\$25.00
New Application*	\$2,500.00 or \$250.00 as applicable
*The applicable amount is as determined by the CMC and is to be received from the State before issuance of a license.	

Administrative Operating Fees

Late renewal fee	\$5,000.00
Transfer of location	\$1,500.00
Change of principals or ownership	\$1,500.00
Modification of premises	\$1,000.00
Change in operational plan	\$300.00
Registration of manager	\$100.00
Report of minor change	\$100.00
License extension fee	\$150.00 per 30 day period or portion thereof

Initial and Annual Operating Fees

Retail Marijuana Store	\$15,000.00
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Retail Marijuana Cultivation

With a plant count between 1 and 3,600: \$6,500.00

With a plant count between 3,601 and 10,200: \$10,000.00

With a plant count of or over 10,201: \$15,000.00

Retail Marijuana Product Manufacturing \$15,000.00 first year;
\$10,000.00 each year thereafter

Retail Marijuana testing \$5,000.00

Permit Fees

Application or renewal of a centralized distribution permit for a retail marijuana cultivation \$500.00

302.4 Zoning Fee Schedule. The following fees shall apply to all retail marijuana establishments zoning for a conditional use permit:

Application and Renewal Fees for Conditional Use Permit

Retail Marijuana Store \$5,000.00

Retail Marijuana Cultivation \$5,000.00

Retail Marijuana Product Manufacturing \$5,000.00

Retail Marijuana testing \$2,500.00

302.5 The application fees above apply to each license applied for, and a business with multiple applications must pay separate fees for each application. The appropriate fees must be paid in conjunction with any application or request before the city will process or act upon the forms submitted. All fees are nonrefundable in the entirety.

302.6 The initial and annual operating fees above apply to each license issued, and a business

with multiple locations must pay separate fees for each location. The appropriate fees must be paid in conjunction with any license issued.

- 302.7 In addition to the foregoing fees, applicants and licensees shall pay the reasonable fees of any governmental agency conducting any investigation, inspection, other licensing, registration, fingerprinting, approval or permitting required under the Pueblo Municipal Code, these Rules and Regulations, State law or State regulations.
- 302.8 The primary purpose of the fees provided in Rule 302 is to defray the costs of the particular municipal services provided and not to defray the costs of the general services of municipal government or to raise general revenues. The fees provided in Rule 302.3 and Rule 302.4 shall be reasonably related and proportional to the costs of the services provided and shall not generate additional City revenue.
- 302.9 If any license or application is denied, approved but not issued, lapsed, abandoned, withdrawn, surrendered, suspended, fined, revoked or otherwise sanctioned, no part of the fees paid therefore shall be refunded to the applicant or licensee.

Rule 303: Relationship to State

- 303.1 Except as otherwise specifically provided herein, the requirements and procedures set forth in the Colorado Marijuana Code are hereby incorporated. In the event of any conflict between the provisions of these rules and the provisions of the Colorado Retail Marijuana Code or any other applicable state or local law, the more restrictive provision shall control.
- 303.2 The Authority shall inform the State Retail Marijuana Licensing Authority of its investigations, inspections and all decisions approving new licenses, issuing new licenses, imposing conditions on licenses, renewing licenses, approving major changes in licenses, information regarding minor changes, and sanctions imposed on licenses.
- 303.3 To the extent that such coordination is reasonably feasible and efficient, the Authority shall coordinate its investigations and actions with the State Department of Revenue, but the Authority reserves the right to act independently and to reach its own findings of fact, conclusions of law and administrative actions regarding approvals, issuance, denials, conditions, renewals, major changes, sanctions of licenses and any other matter related to licenses, without regard to the findings of fact, conclusions of law and administrative actions that the State may reach regarding the same licenses based on the same incident or conduct.

303.4 The approval or issuance of a license shall not constitute a representation by the Authority that the licensee is qualified for or will receive a State retail marijuana license.

Rule 400 Series: Licensing Procedures

Rule 401: Review Procedure.

The Authority shall consider and act upon all complete local license applications as authorized by these Rules and Regulations.

- 401.1 **Completeness Review.** The Clerk to the Authority shall review applications for completeness.
- (a) Applicants must schedule an appointment with the Clerk to the Authority to review the application for completeness.
 - (b) The Clerk to the Authority shall notify the applicant of the results of its review as to the application's completeness or shall accept the application as complete. The Clerk may provide a list of items missing from the application but shall not be required to do so.
- 401.2 **Authority's review of application.** All applications shall be reviewed by the Authority at a public meeting for compliance with the minimum standards set forth in Rule 401.3. Applicants must demonstrate by a preponderance of the evidence that the requirements of the initial review set forth in Rule 401.3 are satisfied prior to the issuance of a license. Applicants who fail to meet the minimum requirements shall be denied a license. For retail marijuana store applications, following the initial review in Rule 401.3 and applicant's satisfaction of Rule 401.3, the application will also be reviewed and issued points according to Rule 401.4. Points will be used to competitively determine the issuance of licenses. If an applicant for a retail marijuana store license fails to meet the minimum requirements set forth in Rule 401.3, the license shall be denied.
- 401.3 **Initial review.** Within ninety (90) days following the date that the Clerk to the Authority accepts an application for a new retail marijuana license as complete, or, in the case of an application for a retail marijuana store license, within thirty (30) days following the closing of the application period, the Authority shall review the applications at a public meeting and issue its determination and findings regarding requirements (a) through (u) below. Failure to demonstrate compliance with these requirements shall be grounds for denial of the license.
- (a) The proposed licensed premises are located in a fixed, nonportable building;

- (b) The premises are not licensed or operated as an establishment for the sale or service of alcohol beverages as defined in Section 44-3-103, C.R.S., or as a non-cigarette tobacco product retailer, a massage parlor, a dance hall or an amusement establishment as defined in Title IX, Pueblo Municipal Code;
- (c) The premises are not licensed or operated as a retail food establishment or wholesale food registrant;
- (d) There is sufficient parking available on the proposed adjacent grounds given the size of the licensed premises and the number of employees and customers that can reasonably be expected to be present at any given time;
- (e) The proposed licensed premises and adjacent grounds comply with all zoning, health, building, plumbing, mechanical, fire and other codes, statutes and ordinances, as shown by completed inspections and plan approvals from the City's Department of Planning and Community Development, City's Department of Transportation, City's Department of Public Works, City's Department of Stormwater, City's Department of Wastewater, Regional Building Department, Pueblo Fire Department and Pueblo City-County Health Department as evidenced by submission of plan approval forms. The applicant for a retail marijuana store license is not required to submit the inspections and plan approvals for the initial review, but instead must submit the inspections and plan approvals within one hundred twenty (120) days of application approval by the Authority, pursuant to Rule 401.12;
- (f) Walls, barriers, locks, signs and other means are in place to prevent the public from entering the area of the proposed licensed premises utilized for storage and/or cultivation;
- (g) No portion of the building in which the proposed licensed premises are located is utilized as a residence;
- (h) The area of the proposed licensed premises is equipped with a ventilation and filtration system that is sufficient in type and capacity to eliminate marijuana odors emanating from the interior to the exterior discernible by a reasonable person at the property line. For facilities which are located on the same property as another use, the ventilation and filtration system must be sufficient to eliminate marijuana odors discernible by a reasonable person at the exterior of the building. The ventilation system must be inspected and approved by the Pueblo Regional Building Department;
- (i) Evidence of Lawful Possession. All applicants for retail marijuana establishment

licensure must demonstrate proof of lawful possession of the premises to be licensed at the time of application. Evidence of lawful possession consists of properly executed deeds, leases, or other written documentation the Authority may consider satisfactory. Lease agreements contingent upon the applicant being approved for licensure are acceptable to show the applicant's lawful possession of the intended premises;

- (j) The applicant, principals, registered manager and employees are all over the age of twenty one (21);
- (k) The applicant, principals, registered manager and employees have not been determined by any retail marijuana licensing authority, any other licensing board within the State, or the Colorado Department of Revenue to not be persons of good character and record within the preceding three (3) years;
- (l) The applicant, principals, registered manager and employees have not discharged a sentence for a conviction of a felony in the five (5) years immediately preceding the application, nor are they currently subject to a deferred judgment or sentence for a felony;
- (m) The applicant, principals, financiers and registered manager have not held an interest in any liquor license, medical marijuana license, retail marijuana license or other license issued by any City, County or State that has been revoked, suspended, or fined within the preceding two (2) years;
- (n) The applicant, principals, employees, financiers and registered manager have not had their authority, if any, to act as a medical marijuana primary caregiver revoked by the State within the preceding two (2) years;
- (o) The applicant, principals, financiers and registered manager are not in default on any City, county, State or federal taxes, fees, fines or charges, do not have any outstanding warrants for their arrest, and do not have any outstanding liens or judgments payable to the City;
- (p) The applicant, principals and registered manager are not in default on any student loan;
- (q) The applicant, principals, registered manager and employees all hold valid occupational licenses and registrations for retail marijuana issued by the State of Colorado;
- (r) The applicant, principals and registered manager do not have any orders or judgments

against them for child support in default or arrears;

- (s) The applicant, principals and registered manager are not peace officers or prosecuting attorneys; and
- (t) The State of Colorado has issued a conditional license for a retail marijuana establishment.

401.4 Point review. Applications for retail marijuana stores, once approved for initial review as required in Rule 401.3 above, shall be reviewed by the Authority, at a public meeting. The Authority shall award points according to the requirements below, as described in detail in (a) through (l). A minimum of 50% of the total available points is required to obtain a license (the “minimum point standard”). If the minimum points are not met, regardless of the number of licenses available, the application will be denied. The applicant is responsible for identifying and demonstrating the point criteria for which they are applying. The Authority will not presume proposed qualifications without supporting documentation.

Permanency of Points. With the exception of the business plan and operating plan, retail marijuana store applicants will be held accountable for any information submitted which may result in points being awarded in the point system review process. Such criteria are subject to reevaluation during the inspection and license renewal processes, and any failure of the applicant to adhere in a timely manner to the criteria by which points were awarded may result in penalties including, but not limited to, revocation of the store license.

Requirement	Qualifier	Points
(a) Experience operating a licensed marijuana establishment in Colorado	Under 3 Years	+1
	3-5 Years	+2
	Over 5 Years	+3
(b) Experience operating a licensed marijuana establishment in Colorado without administrative penalties, suspension, fined or license revocation	Under 3 Years	+2
	3-5 Years	+4
	Over 5 Years	+6
(c) Applicant and manager criminal background history (Cumulative)	No felony convictions	+2
	No pending charges	+2
	No drug-related misdemeanor convictions	+2
(d) Marijuana Regulation Education	Demonstrate education pertaining to the rules and regulations of operating a marijuana business.	+2
(e) Demonstrates enhanced security in excess of the minimum requirements.	Deter criminal activity and minimize police supervision of premises	+1 to +10

(f) Operating Plan	Ensure adequate staffing, security, employee training, consumer education, and compliance with state and local laws.	+1 to +10
(g) Business Plan	Define scope of planning and capital improvements, estimate revenue and expenses, and demonstrate ability to operate in highly regulated industry.	+1 to +10
(h) Community Involvement	Demonstrate how the business, applicant, managers, and principal will be involved in the community	+1 to +10
(i) Local residency in Pueblo County (Cumulative)	Applicant	+2
	Manager	+2
(j) Local residency in the City of Pueblo (in addition to local residency in Pueblo County) (Cumulative)	Applicant	+2
	Manager	+2
(k) Needs and desires of the neighborhood (Cumulative)	Complete neighborhood survey	+1
	Majority of the neighborhood responses are positive	+2

(l) Experience operating a Medical Marijuana Center	Center located within the City of Pueblo	+5
Maximum Total Score		73

- (a) Experience Requirement. Points will be awarded for experience operating a marijuana business in Colorado. In evaluating an applicant’s experience level and history as an operator of a licensed marijuana establishment, the Authority will apply the following standards:
- (1) Operating experience is defined as an individual with an active ownership or managerial role who made administrative decisions for the establishment.
 - (2) The applicant’s experience must demonstrate knowledge of the business practices and protocols for a retail marijuana store, such as security requirements, awareness of limited access areas, administration of the marijuana inventory tracking system, and understanding of applicable laws and regulations for the industry.
 - (3) Only the industry experience of those members of the ownership group with at least a ten percent (10%) ownership interest in the business entity applying for licensure will be considered.
- (b) Administrative Penalties. In evaluating an applicant’s history of operating a licensed marijuana establishment without administrative penalties, the Authority will review property histories, police reports, and other relevant documentation to determine whether the applicant, or an establishment the applicant has operated or managed, has previously been:
- (1) Subject to a license suspension or revocation;
 - (2) Fined or charged with an administrative penalty; or
 - (3) Received a court summons related to the operation of the licensed establishment.
- (c) Applicant and manager criminal background history. All applicants and managers must comply with the requirements set forth in Rules 401.3 (l) and (m) for criminal

background history; however, applicants and managers that have never had felony convictions, do not have any pending charges against them, nor have any drug-related misdemeanor convictions will receive points. These points shall require all applicants and all managers to comply in order to obtain points.

- (d) Marijuana Regulation Education. The applicant, principal or manager must demonstrate they are trained in, and able to comply with, the requirements of State and Local laws pertaining to retail marijuana establishments. In determining whether such persons have shown sufficient training, the Authority may consider, among other things, the role that the individual will play in operating the establishment, the completion of state or industry-approved courses on how to comply with state and local laws and regulations regarding retail marijuana establishments, and the length of time that has passed since the training.
- (e) Security Plan. All applicants must include a security plan, in compliance with Rule 812.1, as part of their application package, which will be reviewed by the Authority in conjunction with members of the Pueblo Police Department. If the applicant's plan is able to sufficiently demonstrate security measures in excess of the minimum requirements set forth in city and state regulations, the applicant shall be awarded additional points for each instance of enhanced security, where up to ten (10) points may be awarded.

At least a quorum of the Authority will review all security plans submitted, and shall assign a score of between one and ten points. The final score shall be the average of the scores from each of Authority members that reviewed the security plans, rounded to the nearest hundredth. Such enhanced security measures shall include, but are not limited to, steel security doors, improved video surveillance system capabilities, and advanced alarm systems.

- (f) Operating Plan. The operating plan is to enumerate the specific means through which the applicant intends to comply with the city and state regulatory requirements and shall comply with the requirements set forth in Rule 801.3. The applicant shall be awarded points for fulfillment of each qualifier, where up to ten (10) points may be awarded.

At least a quorum of the Authority will review all operating plans submitted and shall assign a score of between one and ten points. The final score shall be the average of the scores from each of Authority members that reviewed the operating plans, rounded to the nearest hundredth. The content by which the Authority will evaluate the operating plans may include, but is not limited to the following: staffing schedules to ensure

adequate coverage and experience during all business hours; employee training programs for security, product knowledge and safety; proactive consumer education and community outreach practices; and an operations manual demonstrating compliance with state and city retail marijuana laws.

- (g) **Business Plan.** The business plan is to demonstrate the applicant's ability to successfully operate in a highly regulated industry over an extended period of time and shall comply with the minimum requirements set forth in Rule 801.4. The applicant shall be awarded points for fulfillment of each qualifier, where up to ten (10) points may be awarded.

At least a quorum of the Authority will review all business plans submitted and shall assign a score of between one and ten points. The final score shall be the average of the scores from each of Authority members that reviewed the business plans, rounded to the nearest hundredth. The content by which the Authority will evaluate business plans may include, but is not limited to the following: business goals, plans for development; plans for capital improvements; 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 a highly regulated industry.

- (h) **Community Involvement.** The community involvement plan is to demonstrate how the applicant, owner and manager are responsible citizens who give back to the community. Examples include but are not limited to creation or involvement in community drug education programs, support of community programs, support community programs geared to eliminate marijuana use by kids and young adults, etc. Programs geared towards deterring underage usage of marijuana, addiction, drug rehabilitation, or other community involvement that is drug related is highly encouraged. The applicant shall be awarded points for each instance of community involvement, where up to ten (10) points may be awarded.

At least a quorum of the Authority will review all community involvement plans submitted and shall assign a score of between one and ten points. The final score shall be the average of the scores from each of Authority members that reviewed the community involvement plans, rounded to the nearest hundredth.

- (i) & (j) **Local residency of employees, applicants and managers.** Each applicant, and those applicants that will be hiring employees and managers whose primary home is in Pueblo will be granted points. When determining whether an employee is a resident, the following factors will be considered:

- (1) Pueblo Resident Defined. For the purposes of a local residence points, Pueblo Residency is defined as living in Pueblo County and the City of Pueblo. All residents of the City of Pueblo shall receive the points for living in Pueblo County as well as the points for living in the City of Pueblo.
- (2) Primary Home Defined. The location of an Applicant’s principal or primary home or place of abode (“primary home”) may establish Pueblo residency. An Applicant’s primary home is that home or place in which a person’s habitation is fixed and to which the person, whenever absent, has the present intention of returning after a departure or absence therefrom, regardless of the duration of such absence. A primary home is a permanent building or part of a building and may include, by way of example, a house, condominium, apartment, room in a house, or manufactured housing. No rental property, vacant lot, vacant house or cabin, or other premises used solely for business purposes shall be considered a primary home.
- (3) Reliable Indicators That an Applicant’s Primary Home is in Pueblo. The following types of evidence to be generally reliable indicators that a person’s primary home is in Pueblo.
 - a. Evidence of business pursuits, place of employment, income sources, residence for income or other tax purposes, age, residence of parents, spouse, and children, if any, leaseholds, sites of personal and real property, existence of any other residences outside of Pueblo and the amount of time spent at each such residence, and any motor vehicle or vessel registration;
 - b. Duly authenticated copies of the following documents may be taken into account: A current driver’s license with address, recent property tax receipts, copies of recent income tax returns where a Pueblo mailing address is listed as the primary address, current voter registration cards, current motor vehicle or vessel registrations, and other public records evidencing place of abode or employment; and
 - c. Other types of reliable evidence as determined by the Authority.
- (4) Other Considerations for Residency. The following circumstances may be considered when determining Pueblo residency:

- a. Members of the armed services of the United States or any nation allied with the United States who are on active duty in Pueblo under permanent orders and their spouses;
 - b. Personnel in the diplomatic service of any nation recognized by the United States who are assigned to duty in Pueblo and their spouses; and
 - c. Full-time students who are enrolled in any accredited trade school, college, or university in Pueblo. The temporary absence of such student from Pueblo, while the student is still enrolled at any such trade school, college, or university, shall not be deemed to terminate their residency. A student shall be deemed “full-time” if considered full-time pursuant to the rules or policy of the educational institution he or she is attending.
 - d. **Entering Armed Forces Does Not Terminate Residency.** An individual who is a Pueblo resident pursuant to this rule does not terminate Pueblo residency upon entering the armed services of the United States. A member of the armed services on active duty who resided in Pueblo at the time the person entered military service and the person’s spouse are presumed to retain their status as residents of Pueblo throughout the member’s active duty in the service, regardless of where stationed or for how long.
- (k) Needs and desires of the neighborhood. Each applicant must submit a neighborhood survey, on a form provided by the Clerk to the Authority, with the needs and desires of the neighborhood within three hundred (300) feet of the outer boundary of the retail marijuana store property. If the survey reveals that a majority of the neighborhood responds favorably to the establishment of a retail marijuana store, the applicant will be awarded additional points.
- (l) **Medical Marijuana Center ownership experience Requirement.** Points will be awarded for experience operating a medical marijuana center in the City of Pueblo. In evaluating an applicant’s history as an owner of a licensed medical marijuana center establishment, the Authority will apply the following standards:
- (1) Operating experience is defined as an individual with an active ownership role for the establishment.
 - (2) Only the medical marijuana store experience of an owner with at least a fifty percent (50%) ownership interest in the business entity applying for retail marijuana licensure will be considered.

401.5 For retail marijuana stores, the Authority's determination and findings shall:

- (a) Approve applications, with or without conditions, to the four (4) qualifying applicants in each retail marijuana district that meet the minimum point standards and have the four (4) highest point totals as determined by the Authority pursuant to Rule 401.4. In the event that two or more applicants applying for licensure in the same retail marijuana district receive the same total score, and the applicants cannot all be issued a license, the Authority shall first review the points awarded, without rounding. If there is still a tie after removing rounding, the Authority shall select the applicants, by lottery, that will be awarded a retail marijuana store application approval from the applicants that have tied for application approval.
- (b) The Authority shall not issue a retail marijuana store license until the time to appeal the application approval has expired and all conditions imposed on the application approval, if any, have been satisfied.
- (c) Failure of the applicant to meet the conditions imposed, if any, within the time frame specified by the Authority for the application approval shall result in a forfeiture of the application approval.
- (d) The applications that meet the initial review per Rule 401.3 and the minimum point standard per Rule 401.4, but are not chosen as one of the four (4) qualifying applicants in each retail marijuana district, shall be recorded by the Authority and ranked based upon point totals in each retail marijuana district. These records shall be maintained by the Authority for six (6) months from the date of the public meeting at which qualified applicants were selected. In the event a qualifying applicant withdraws or forfeits the application approval, the next highest scoring applicant for that retail marijuana district shall be approved as a qualifying applicant per the original application. The newly qualified applicant must demonstrate that the original application is still in full effect, but may amend certain provisions to satisfy changed conditions subject to the Authority's approval.
- (e) Rules 401.8, 401.9 and 401.11 shall not apply to retail marijuana store license applications.

401.6 For all licenses except retail marijuana stores, the Authority's administrative determination and findings shall:

- (a) State that the application appears to show a prima facie case for approval of a license,

state any concerns that the Authority may have, and direct the applicant to set a hearing under Rule 601.1; or

- (b) State that the application does not appear to show a prima facie case for approval of a license, state the deficiencies, and indicate that the applicant has a right to appeal the administrative determination to the Authority under Rule 601.1.
- 401.7 The Authority shall notify the applicant in writing of its administrative determination and findings for the initial and points review by first-class U.S. mail addressed to the applicant at the address shown on the application.
- 401.8 If the administrative determination provided in Rule 401.2 states that the application appears to show a prima facie case for approval of a license, the applicant shall, within twenty (20) days of the date the Authority mailed its administrative determination and findings to the applicant, pursue one (1) of the following options, and failure to do so shall constitute a withdrawal of the application:
- (a) Set the application for a hearing under Rule 601.1 as provided in Rule 501; or
 - (b) Request from the Authority in writing a continuance of the setting of the hearing under Rule 601.1 for no more than one hundred twenty (120) days from the date the Authority mailed its administrative determination and findings to the applicant, in order to satisfy any concerns stated in the administrative determination and findings, if any. Failure of the applicant to set the application for a hearing within one hundred twenty (120) days from the date the Authority mailed its administrative determination and findings to the applicant, in the manner provided in Rule 501, shall constitute a withdrawal of the application.
- 401.9 If the administrative determination provided in Rule 401.2 states that the application does not appear to show a prima facie case for approval of a license, the applicant shall, within twenty (20) days of the date the Authority mailed its administrative determination and findings to the applicant, pursue one (1) of the following options, and failure to do so shall constitute a withdrawal of the application:
- (a) Set the application for a hearing under Rule 601.1 as provided in Rule 501; or
 - (b) Request from the Authority in writing a continuance of the setting of the hearing under Rule 601.1 for no more than one hundred twenty (120) days from the date the Authority mailed its administrative determination and findings to the applicant, in order to satisfy any concerns stated in the administrative determination and findings,

if any. Failure of the applicant to set the application for a hearing within one hundred twenty (120) days from the date the Authority mailed its administrative determination and findings to the applicant, in the manner provided in Rule 501, shall constitute a withdrawal of the application.

- 401.10 Withdrawal of an application during the process provided for in Rule Series 400, shall not constitute a denial of the application, and shall not prevent the applicant from re-submitting its application upon payment of a new application fee.
- 401.11 The determination and findings made on the Authority's administrative review of the application under Rule 401.2 shall not be binding on the Authority or any person who has standing at a hearing under Rule 601.1, and any matter that the administrative determination and findings state has been met, has not been met, or which the determination and findings do not address, may be addressed in full at the hearing.
- 401.12 For a retail marijuana store license, the applicant must submit the required plan approval forms to the Clerk within one hundred twenty (120) days of the application approval by the Authority, unless otherwise approved for an extension according to Rule 301.7(c)(1). Upon Clerk's receipt of the plan approval forms, a date for the license hearing shall be set pursuant to Rule 501.5.

Rule 500 Series: Hearing Procedures

Rule 501: Local License Hearing Notice Requirements

- 501.1 Notice for hearings on applications for new licenses, denial of a new license, renewals of licenses and approval of major changes shall be given to the public in the manner prescribed by State law by posting the proposed premises and publishing a notice in a newspaper of general circulation at least fifteen (15) days before the hearing, stating the name of the applicant, the address of the proposed licensed premises and the type of license applied for. Notice for public meeting on applications for review of retail marijuana store applications shall be given to the public by posting the proposed premises and publishing a notice in a newspaper of general circulation at least fifteen (15) days before the hearing, stating the name of the applicant, the address of the proposed licensed premises and the type of license applied for.
- 501.2 All notices shall state the date, time and place of the hearing, the name of the applicant or licensee, the address of the proposed or licensed premises, the date, time and place of the hearing, and the issue before the Authority.
- 501.3 In conjunction with the Clerk of the Authority, the applicant shall have the responsibility to set the matter for a hearing, post the premises with notice provided by the Clerk of the Authority and provide an affidavit of the posting of the premises. The Clerk of the Authority shall have the responsibility to provide the poster that shall be published on the premises, publish notices, and provide a publisher's affidavit of publication.
- 501.4 Failure of an applicant to properly post the premises with notice of the hearing as provided in these rules and regulations, and provide proper affidavits of the same shall deprive the Authority to hold a hearing on the application.
- 501.5 Applicants for a new license seeking a hearing under Rule 601.1 shall have the sole responsibility to:
- (a) Conduct the setting of the hearing with the Clerk as prescribed in Rule 601.1, except that for retail marijuana store licenses, the setting of the hearing will be made upon submission of plan approvals to the Clerk;
 - (b) Select a date for the hearing that is not less than thirty (30) and no more than ninety (90) days from the day of the setting; and

(c) Post notice on the proposed premises as required in these rules and regulations.

501.6 Failure of an applicant to successfully bring an application for a new license or any major change to a hearing in compliance with every requirement of Rule 501 shall constitute withdrawal of the application. Withdrawal of an application under Rule 501 shall not constitute a denial of the application and shall not prevent the applicant from resubmitting its application upon payment of a new application fee.

Rule 502: Hearing Procedures.

502.1 Hearings shall be conducted in accordance with the procedures outlined in these rules and regulations. Where these rules and regulations do not address a procedural issue, the procedures in Chapter 7 of Title I, Pueblo Municipal Code, Article 10 of Title 44, C.R.S., and any procedural rules enacted pursuant to that article shall apply, unless the same are clearly inconsistent with the provisions of these rules and regulations.

502.2 Failure of an applicant or licensee to appear at any scheduled hearing of which the applicant or licensee has received notice or has himself or herself set, and for which notice was posted and published in compliance with these Rules, without a showing of good cause verified by the applicant's affidavit filed with the authority within ten (10) days of the scheduled hearing, shall constitute a default and a withdrawal of the application or motion, and a default of any complaint, Order to Show Cause, motion or other matter pending against the licensee. Any such application or motion withdrawn by the applicant or licensee may not be re-filed for one (1) year.

502.3 After an application has been filed, a hearing on the application has been set and notice has been published and posted in compliance with these rules and regulations, any withdrawal of the application by the applicant shall constitute a denial of the license, unless the City stipulates that the withdrawal shall not constitute such a denial.

502.4 The Authority may hear and decide motions.

502.5 The Authority may adjourn and continue any hearing, at the request of the applicant and with the consent of the City, to give the applicant an opportunity to fulfill any requirement that has not been met or to make changes to its application or operational plan.

502.6 The Authority may join various pending matters concerning the same license in a single hearing.

- 502.7 Every decision of the Authority shall be in writing, stating the reasons therefore, and shall be made within thirty (30) days after the date of the conclusion of the public hearing. A copy of such decision shall be sent to the applicant at the address shown in the application or license.

Rule 503: License Hearing Discovery and Subpoenas.

- 503.1 Any complaint or motion for sanctions shall contain a summary of the legal and factual grounds for the same.
- 503.2 Every party who has standing to be heard at a hearing shall provide a list of witnesses and exhibits to every other party who has standing, along with copies of the exhibits, at least ten (10) days before the hearing.
- 503.3 Each party shall provide the other parties who have standing with copies of any statements or reports relevant to the matter.
- 503.4 Each party shall provide to other parties who have standing copies of all documents filed with the Authority.
- 503.5 No party shall be entitled to any additional discovery and the Authority shall not order any further discovery.
- 503.6 Subpoenas for the attendance of witnesses with or without documents and other tangible things shall be issued as provided in Chapter 7, Title I, Pueblo Municipal Code.

Rule 504: License Hearing Burden of Proof.

- 504.1 In any proceeding under these rules and regulations to obtain approval or issuance of a license, renewal of a license, concerning denial of a new license, or to obtain approval for any new principal, registered manager or any major change, the applicant or licensee shall have the burden to prove by a preponderance of the evidence: (1) his or her right to such license; and (2) that there is no good cause for denial of the license or approval.
- 504.2 In any proceeding under these rules and regulations in which any person seeks to impose a condition on a license, the person seeking to impose the condition shall have the burden to prove by a preponderance of the evidence that the condition is necessary to protect public health, safety or welfare. Notwithstanding the foregoing, the Authority may, on its own

motion, in any hearing for a new license, transfer of a license to a new location, or transfer of a license to a new licensee, impose a condition on a license where it finds by a preponderance of the evidence that such condition is necessary to protect public health, safety or welfare.

- 504.3 In any proceeding under these rules and regulations to impose any sanction against a license, the City shall have the burden to prove every allegation necessary to impose a sanction by a preponderance of the evidence.

Rule 505: License Hearing Evidence.

- 505.1 The Colorado Rules of Evidence and the common law rules of evidence shall not apply to hearings under these rules and regulations. The Authority may accept into evidence any testimony or exhibit and give such evidence the weight that the Authority believes it deserves.
- 505.2 The Authority may accept hearsay and multiple-hearsay testimony and may base its decision solely on such hearsay if such hearsay is reasonably reliable and trustworthy and has probative value accepted by reasonable and prudent persons in the conduct of their affairs. The Authority shall not be required to make a finding that the hearsay meets this standard. If the Authority admits the hearsay, it shall be conclusively presumed that the hearsay met this standard unless the Authority makes findings to the contrary.
- 505.3 The Authority shall have the authority to exclude testimony and other evidence as irrelevant, cumulative or on the ground that the witness or exhibit was not disclosed ten (10) days prior to the hearing.
- 505.4 The Authority may take administrative notice of any matter contained in its file.
- 505.5 The Authority may delegate to the chair or another member of the Authority the authority to make procedural and evidentiary rulings at any hearing, but every member of the Authority present shall vote on the findings and conclusions at the conclusion of the hearing.

Rule 506: Standing.

- 506.1 At any hearing for issuance of a new license, for denial of a new license, for renewal or for any major change in the license, only the following parties shall have standing to be heard:

- (a) The applicant or licensee;
 - (b) Any person who resides within a one-half ($\frac{1}{2}$) mile radius of the adjacent grounds of the proposed or licensed premises;
 - (c) Any person who owns any real property within a one-half ($\frac{1}{2}$) mile radius of the adjacent grounds of the proposed or licensed premises;
 - (d) Any person who owns any business within a one-half ($\frac{1}{2}$) mile radius of the adjacent grounds of the proposed or licensed premises; and
 - (e) The City of Pueblo.
- 506.2 At all other hearings, only the applicant or licensee and the City of Pueblo shall have standing.

Rule 600 Series: Local License Hearing

Rule 601: Local License Hearing

- 601.1 Hearing on application for new license or the denial of a new retail marijuana license.
- (a) Before approving or issuing any retail marijuana license, and upon request of any applicant whose application has been denied administratively for failure to show a prima facie case for approval of a license, the Authority shall hold a hearing at which it shall hear evidence relevant to:
- (1) Whether the applicant already holds one retail marijuana license in the same class in the City of Pueblo, and the application is for another retail marijuana license of the same class. Issuance of a license in this instance shall be according to Rule 601.3.
 - (2) Whether the applicant has met the requirements necessary to obtain a retail marijuana license in Rule 800 Series;
 - (3) The applicant, the applicant's financiers, principals, registered manager, and employees are persons of good character and record, according to Rule 804.2;
 - (4) The applicant, principals registered manager and employees are trained or experienced in, and able to comply with, the requirements of this Chapter and state law pertaining to retail marijuana establishments, according to Rule 804.3.
 - (5) Whether there is good cause for denial of the license as defined in Rule 1106.1; and
 - (6) Whether conditions should be imposed on the license as provided in Rule 601.4.
- (b) The issues at the hearing shall be limited to the foregoing and shall not include whether persons favor or approve of retail marijuana or favor or oppose retail marijuana licenses in general.
- (c) Approval. If the Authority finds at the hearing that the applicant has shown by a preponderance of the evidence that it has met the requirements necessary for issuance of a retail marijuana license and that there is no good cause to deny the license, the Authority shall approve the license or approve the license with conditions as provided

in Rule 601.4.

- (d) If the Authority finds at the hearing that the applicant has not shown by a preponderance of the evidence that it has met the requirements for issuance of a retail marijuana license or has failed to show by a preponderance of the evidence that there is no good cause to deny the license, the Authority shall deny the license.

601.2 Additional rules for hearings on application for new license or the denial of a new retail marijuana store license.

- (a) The Marijuana Authority may award a retail marijuana store license with or without conditions. Upon the award of a retail marijuana store license with conditions, the applicant may, within seven (7) days of the notice of award, request a hearing to get clarification on or appeal the conditions set by the Authority by submitting a written request for hearing to the Clerk of the Marijuana Authority. If the applicant timely submits a written request for hearing, the time to complete the conditions set forth in the award shall be stayed until the appeal is resolved by the Authority. Failure to request the hearing within seven (7) days shall waive the applicant's right to a hearing.
- (b) Any applicant whose application for a retail marijuana store license has been denied shall have twenty eight (28) days after the date of the final decision of the Marijuana Authority to file a complaint seeking review of such decision by the district court under Rule 106 of the Colorado Rules of Civil Procedure. Failure to timely appeal the decision is a waiver of the licensee's or applicant's right to contest the denial of the license.

601.3 Limitation on Number of Licenses per Person. No person may hold an ownership interest in more than one (1) retail marijuana store located throughout the city. While a person may submit an unlimited number of applications for retail marijuana store licensure, only one (1) license may be awarded to any particular owner. If the licensee or principals already hold one retail marijuana license for cultivation, product manufacturing or testing in the City of Pueblo, and the application is for another retail marijuana license of the same class, issuance of a second license will not significantly restrain competition among licensees of that class. Ownership interest shall be considered if an owner takes an active ownership role or managerial role in the business or owns more than ten percent (10%) interest in the business.

601.4 Conditions on licenses.

- (a) At the time that an application is approved, a new license is approved, when an existing

license is renewed, at any time that a sanction other than revocation is imposed, or at any time that the Authority approves a major change to a license, licensed premises or adjacent grounds, the Authority may impose on the license, after a hearing, any condition related to the license, licensed premises or adjacent grounds, that is reasonably necessary to protect public health, safety, or welfare, including but not limited to the following:

- (1) Additional security requirements, including but not limited to security guards, steel doors, steel window coverings and surveillance cameras;
 - (2) Additional record keeping requirements;
 - (3) Limits and requirements on parking and traffic flow;
 - (4) Requirements for walls, doors, windows, locks and fences on the licensed premises and adjacent premises;
 - (5) Requirements and limits on ventilation and lighting;
 - (6) Limits or requirements on areas on the licensed premises that are closed, locked or not open to public view;
 - (7) Limits on noise inside the licensed premises or on the adjacent grounds;
 - (8) Prohibitions on certain conduct on the premises;
 - (9) Sanitary requirements;
 - (10) Limits on hours of operation;
 - (11) Requirements for screening new and existing employees;
 - (12) A requirement that the licensee temporarily close the licensed premises until certain changes, inspections or approvals are made; and
 - (13) A limit on the square footage of the licensed premises.
- (b) The Authority may impose the foregoing conditions in lieu of or in addition to any sanctions that it may impose, except where the sanction is revocation.

- (c) Any condition imposed on a license shall be placed on the face of the license certificate.
- 601.5 Appeal. Actions taken by the Authority are subject to review by the courts pursuant to Rule 106 of the Colorado Rules of Civil Procedure. Review must be applied for within twenty-eight (28) days after the date of decision. Any person applying to the Court for review shall be required to pay the cost of preparing a transcript of proceedings before the Authority whenever such a transcript is necessary for purposes of the appeal.
- 601.6 The requirements of these rules and regulations imposed on any applicant shall also apply to any licensee. The requirements of these rules and regulations imposed on any proposed licensed premises, proposed adjacent grounds or proposed location shall also apply to the actual licensed premises, actual adjacent grounds and actual locations, respectively.
- 601.7 Every licensee and its principals, registered managers and employees have a continuing duty to ensure that the requirements of these rules and regulations continue to be met after the license is issued and at all times that the license remains in effect.

Rule 602: Incomplete Premises.

- 602.1 If the proposed licensed premises have not been completed, inspected and approved as required in these rules and regulations at the time of the hearing for a new license or a hearing on transfer of an existing license to a new location, the applicant shall submit to the Authority:
- (a) A recorded deed to the licensee showing ownership of the proposed licensed premises or a lease showing a right to occupy the proposed licensed premises; and
 - (b) Plans, specifications, drawings and other documents showing that the proposed licensed premises and adjacent grounds will comply with the requirements of these rules and regulations when completed and inspected.
- 602.2 The Authority may approve the license before the proposed licensed premises are completed, inspected and approved, but shall not issue the license until the licensed premises have been completed and all inspections and approvals required under these rules and regulations have been obtained and submitted to the Authority.
- 602.3 In the event that the license is approved, but the premises are not completed, inspected and approved as required in these rules and regulations within one hundred twenty (120) days

of approval, the approval shall lapse and the license shall not be issued, unless otherwise extended by the Authority.

- 602.4 The applicant may submit a written request for additional time to complete the premises, but must do so at least thirty (30) days prior to the expiration of the one hundred twenty (120) days. Any such written request must state the reasons for the request and the additional time necessary to complete the premises. The Authority may approve the request if it determines there was good cause for the delay, the applicant can reasonably complete the premises within the additional time requested, and the additional time will not defeat the competitive application process

Rule 603: License Issuance.

- 603.1 Before issuing a local license for a retail marijuana establishment, the Authority shall determine that the applicant has satisfied all of the following requirements:
- (a) The applicant has satisfied all requirements in Rule 800 Series;
 - (b) The applicant has provided documentation for compliance with Rule 800 Series, depending on the type of license, and the documents have been approved by the necessary agencies (inspection forms);
 - (c) The application is complete, including all required and requested supplemental documentation;
 - (d) The city's portion of the application fee has been received from the state, and the applicant has paid the operating fee and any applicable additional fees;
 - (e) The area where the proposed activity will take place on the licensed premises is the same as shown on the application documents and construction plans for the associated license; and
 - (f) No outstanding violations of city regulations or licensing requirements exist on the property where the proposed establishment is located.

Rule 700 Series: License Requirements

Rule 701: Term of License - Renewals and Expirations.

- 701.1 Term of License. Every license shall be valid for one (1) year from the date it is issued unless the license is earlier suspended or revoked. A license has no vested right to renewal of a license, and no property right in the renewal of a license.
- 701.2 Renewal of License. Renewal of any local license is subject to the laws and regulations effective at the time of renewal, which may be substantially different than the regulations currently in place. Renewal of a retail marijuana establishment license is not automatic, and it is the licensee's responsibility to ensure that the renewal application and all supplemental materials are submitted in a timely manner. Applications for license renewals shall be processed in the same manner as new licenses under these regulations, with the exception of the retail marijuana store license bonus point review described in Rule 401.4 above, which shall not apply to renewals; however, renewals may be reviewed for compliance with representations made on original applications, operating plans and business plans. Such application is made in addition to, and not in lieu of the state application for license renewal.
- 701.3 The Authority may refuse or deny a license renewal if renewal of the license will have a harmful or damaging impact on the public health, safety or the general welfare of the city or the neighborhood where the establishment is located. Nothing in these regulations limits the Authority's consideration of behavior occurring on or about the licensed premises. It may consider behavior that occurs in other jurisdictions in which the licensee conducts business in determining the potential impact on the city and the surrounding neighborhood.
- 701.4 Renewal Timeline. The licensee shall apply for renewal of the retail marijuana establishment license at least thirty (30) days, but no earlier than ninety (90) days prior to the expiration of the license.
- 701.5 If the applicant fails to apply for renewal at least thirty (30) days before the expiration of the license, the license shall expire.
- 701.6 A licensee may renew a license that has expired if:
- (a) The license has been expired for less than ninety (90) days; and
 - (b) The licensee pays the annual operating renewal fee and an additional five thousand dollars (\$5,000.00) late fee.

- 701.7 In the event that an application for renewal has been filed at least thirty (30) days before the expiration of the previous license, but the Authority does not rule on the application for renewal before the expiration of the previous license, the previous license shall be deemed extended until the Authority rules on the application for renewal, but in no event may the license be extended more than ninety (90) days. The licensee shall pay a license extension fee for any such extension after the first thirty (30) days.
- 701.8 The Authority may hold a hearing on any application for renewal. The Authority may summarily grant an application for renewal without a hearing if it appears from the application and other information that the licensee is:
- (a) In compliance with these Rules;
 - (b) There have not been any significant changes in the licensee, the principals, the licensed premises, the adjacent grounds or the registered manager previously approved; and
 - (c) There is no reason to believe that there are any grounds for sanctions or denial of the license.
- 701.9 The Authority shall set a public hearing on the application for renewal if it finds that there is probable cause to believe that the licensee:
- (a) Is not in compliance with these Rules or has committed violations of these Rules; or
 - (b) Committed acts that are grounds for sanctions as provided in these Rules; or
 - (c) Failed to report any major changes described in Rule 705.1 or any unreported minor changes described in Rule 705.5.
- 701.10 The fact that the Authority has granted a renewal of a license shall not constitute a waiver of any previous violations and shall not bar the City from seeking sanctions for, or the Authority from imposing sanctions for, any violation that occurred during any license period before the renewal.
- 701.11 **Renewal Application Procedure.** The licensee shall apply for renewal using forms provided by the city. The application for renewal must include the supplemental information set forth below before the application will be considered complete and processed by the city.
- (a) The yearly operating fee, and late fee if applicable, shall accompany the renewal

application.

- (b) In the event there has been a change to any of the plans identified in the license application which were submitted to and approved by the City with the application or an earlier renewal, the renewal application shall include specifics of the changes or proposed changes in any of such plans.
 - (c) In the event any person who has an interest as described in the disclosures made to the city pursuant to these rules and regulations, or any business manager, financier, agent as defined herein, or employee, has been charged with or accused of violations of any law since such disclosure, the renewal application shall include the name of the violator, the date of the violation, the court and case number where the violation was filed, and the disposition of the violation with the renewal application.
 - (d) In the event the retail marijuana establishment license has been suspended or revoked or a licensee has received any notice of violation of any law, the renewal application shall include a copy of the notice, suspension, or revocation.
 - (e) The renewal application shall include verification that the retail marijuana establishment has a valid state license and the state license is in good standing.
 - (f) The renewal application shall include a summary report for the previous twelve (12) months showing the amount of marijuana purchased; the amount of marijuana sold, the forms in which marijuana was sold; the police report numbers or case numbers of all police calls to the retail marijuana establishment; and, for calls resulting in a charge of a violation of any law, the charge, case number, and disposition of any of the charges.
- 701.12 Procedure for Expired or Revoked Retail Marijuana Store Licenses. In the event that a license is revoked, or a license for a retail marijuana store has been expired for ninety (90) days and the Authority has not granted an administrative continuance for late application, the application process shall be reopened not less than thirty (30) days after the expiration or revocation, on a date determined by the Authority. The application process shall be in accordance with the Rule 300 Series and these rules and regulations. The original licensee from whom the license was revoked is ineligible to reapply for licensure.

Rule 702: Modification of Premises.

- 702.1 Application Required. Following issuance of a license for a retail marijuana establishment,

the licensee must secure prior approval from the Authority and the Colorado Marijuana Enforcement Division before making any physical change or modification to the licensed premises that materially or substantially alters the licensed premises, or use thereof, from the plans originally approved during the licensure process. The licensee seeking the material alteration is responsible for filing an application for approval on current forms provided by the Authority and must pay the fee set forth in Rule 302.

702.2 Major Change Defined. Major, material or substantial changes, alterations, or modifications requiring approval include, but are not limited to the following:

- (a) Any increase or decrease in the total physical size or capacity of the licensed premises;
- (b) The sealing off, creation of or relocation of a common entryway, doorway, passage or other such means of public ingress and/or egress, when such common entryway, doorway or passage alters or changes the limited access areas;
- (c) The permanent addition of a separate sales counter or display case in a retail marijuana store; or
- (d) The installation or replacement of electric fixtures or equipment for purposes of increasing production, the lowering of a ceiling, or electrical modifications made for the purpose of increasing power usage to enhance cultivation activities.

702.3 General Provisions. The procedures for material changes listed above are in addition to, and not in lieu of, other general building requirements that may apply to building structures and land parcels in the City. Modification of any building structure where a retail marijuana store, retail marijuana cultivation facility, retail marijuana manufacturing facility, or marijuana testing facility is located is subject to all applicable provisions of the Building and Zoning Code.

Rule 703: Transfer of Ownership and Changes in Business Structure.

703.1 Transfer of Ownership. A retail marijuana store license issued by the city is not transferable except as provided in these rules and the PMC. No transfer of ownership shall be permitted until after the Authority considers the application, and such additional information as it may require, and issues a license to the transferee. Upon issuance of the new license in the transferee's name, the prior license becomes invalid and the transferor must immediately cease operations. The transferee may not commence operations until all inspections and approvals have been completed and the new license has been issued.

- 703.2 Obligations Must Be Current. No application for transfer of ownership or change in business structure shall be approved by the Authority until all occupational taxes, sales and excise taxes, any fines, penalties, and interest assessed against or imposed upon such licensee in relation to the licensed business are paid in full.
- 703.3 One-Year Prohibition Following Licensure. For retail marijuana store licenses, one year after the date any license is issued by the city pursuant to the ordinance, the licensee is prohibited from transferring ownership of the license or making changes to the business structure of the licensed entity, unless the licensee can demonstrate that a transfer of ownership or change in structure is made necessary by death or disability of the licensee or a similarly substantial hardship (not including financial hardship).
- 703.4 For retail marijuana store licenses, after the first year after the license is issued, a transfer of ownership may be permitted by the Authority if the new licensee can demonstrate compliance with all of the following requirements:
- (a) The new licensee must comply with the limitation on the number of retail marijuana store licenses set forth in Rule 601.3;
 - (b) All occupational taxes, sales and excise taxes, any fines, penalties, and interest assessed against or imposed upon such license or licensee in relation to the licensed premises is paid in full;
 - (c) The new licensee can comply with the requirements of these Rules; and
 - (d) The State has approved the transfer pursuant to requirements of the CMC.
- 703.5 For all other retail marijuana licenses, a transfer of the license may be approved by the Authority after a public hearing.
- 703.6 No application for transfer of ownership may be applied for or acted upon while any complaint for sanctions is pending with the Authority or the State.

Rule 704: Change of Location.

- 704.1 Application Requirements. Any license granted under these regulations is limited to the location specified on the license application. If a retail marijuana establishment desires to

move to another location within the city, an owner or other authorized representative must apply to the Authority for permission to change the location of its licensed premises. Such application shall be made upon forms prescribed by the Authority and is in addition to, and not in lieu of the state application for changing locations.

- 704.2 Licensure Required. No change of location shall be permitted until after the Authority considers the application, and such additional information as it may require, and issues to the applicant a license for the new location. Upon issuance of the license for the new location, the prior license becomes invalid and the licensee must cease operations at the former location. Should a retail marijuana cultivation facility obtain a Transition Permit from the State, the licensee may change location in accordance therewith.
- 704.3 One-Year Prohibition Following Licensure. For retail marijuana store licenses, one year after the date any license is issued by the city pursuant to the ordinance, the licensee is prohibited from transferring the location, unless the licensee can demonstrate that a transfer is made necessary by death or disability of the licensee or a similarly substantial hardship (not including financial hardship).
- 704.4 For retail marijuana store licenses, after the first year the license is issued, a transfer of location may be permitted by the Authority if the licensee can demonstrate compliance with all of the following requirements:
- (a) The licensee has obtained a conditional use permit for the new location;
 - (b) The new location must comply with the limitation on the number of retail marijuana store licenses per retail marijuana district set forth in Rule 401.5(a);
 - (c) All occupational taxes, sales and excise taxes, any fines, penalties, and interest assessed against or imposed upon such license or licensee in relation to the licensed premises is paid in full;
 - (d) The new location can comply with the requirements of these Rules; and
 - (e) The State has approved the transfer pursuant to requirements of the CMC.
- 704.5 For all other retail marijuana licenses, a transfer of the license must be approved by the Authority after a public hearing only after the licensee obtains a conditional use permit for the new location.
- 704.6 No application for transfer of location may be applied for or acted upon while any complaint

for sanctions is pending with the Authority or the State.

Rule 705: Other Changes to License.

- 705.1 Major Changes. No licensee shall make any of the following changes without first obtaining the prior written approval from the Authority:
- (a) Any change in the licensee's principals or financiers;
 - (b) The hiring, substitution, or replacement of the registered manager;
 - (c) Any change in the structure, walls, doors, windows, ventilation, plumbing, electrical supply, floor plan, footprint, elevation, operation, operational plan, patios, decks, safe or vault, locks, security plan, surveillance system, doors, window coverings or security system at the licensed premises;
 - (d) Any material change to the adjacent grounds, including but not limited to lighting, parking, traffic flow, surfaces, landscaping, fences, speakers or sound; and
 - (e) Any material change in or deviation of the operation from the operational plan submitted at the time that the license was approved.
- 705.2 The Authority may summarily approve all other proposed major changes or hold a public hearing on the same, in the Authority's discretion, depending on how substantial the change appears to be and whether the proposed change is likely to cause any harm to public health, safety or welfare.
- 705.3 At any hearing regarding any of the foregoing changes, the Authority shall determine whether the proposed change would probably cause substantial harm to public health, safety or welfare or result in a violation of any law or regulation. If the Authority finds that the change will probably not cause substantial harm to public health, safety or welfare or result in a violation of any law or regulation, it shall approve the change. If the Authority finds that the proposed change would, more probably than not, harm public health, safety or welfare or result in a violation of any law or regulation, the Authority may either disapprove the proposed change or impose conditions on the license.
- 705.4 No application for major change may be applied for or acted upon while any complaint for sanctions is pending with the Authority or the State.

- 705.5 Minor Changes. Every licensee shall report the following to the Authority, in writing within ten (10) days of such event:
- (a) Any change in the licensee's trade name, trademark, logo or service mark used at the licensed premises, adjacent grounds, or on any product cultivated or manufactured at the licensed premises;
 - (b) Any change in the labeling or packaging of products cultivated or manufactured at the licensed premises;
 - (c) Any new loans or debts that the licensee or its principals may incur that are related to the licensed premises, adjacent grounds or any ownership interest in the licensee, in a single or cumulative amount greater than ten thousand dollars (\$10,000.00);
 - (d) Any charges filed against or any conviction of any principal, registered manager or employee for any felony, misdemeanor or serious traffic offense, including but not limited to any deferred judgment or entry into any diversion program ordered or supervised by a court of law;
 - (e) Any change to any sign on the licensed premises or adjacent grounds; and
 - (f) The hiring, dismissal or resignation of any employee.
 - (g) A person that becomes a principal of a publicly traded corporation that is a retail marijuana business or that becomes a beneficial owner, through direct or indirect ownership of a controlling beneficial owner, of ten percent (10%) or more of a retail marijuana business that is a publicly traded corporation must disclose said change to the Authority within ten (10) days of the State licensing authority providing a Finding of Suitability, or exemption from such finding, for said person pursuant to C.R.S. § 44-10-312. Such a notification shall not constitute a transfer of ownership requiring a hearing.

Rule 800 Series: Requirements

Unless otherwise specified, the following requirements apply to all retail marijuana establishments licensed within the city.

Rule 801: General Requirements

- 801.1 **Prohibited Materials and Processes.** Retail marijuana product manufacturers are prohibited from using metals, butane, propane, or other solvents or flammable products that produce flammable vapors to process or test marijuana unless a certified industrial hygienist has verified that the method used and the premises are safe and in compliance with all applicable rules and regulations. Any retail marijuana establishment proposing to process or test retail marijuana through the use of such chemicals or processes must present documentation from a certified industrial hygienist confirming that the method used for producing, extracting, or testing marijuana or marijuana products does not produce noxious or dangerous gases or odors or otherwise create a danger to any person or entity in or near the establishments.
- 801.2 **Testing Facility Ownership.** Pursuant to the state marijuana rules and the PMC, any person who is an owner of a retail marijuana store, retail marijuana cultivation facility, retail marijuana product manufacturing facility, or any medical marijuana business shall not be permitted to have an ownership interest in a retail marijuana testing facility.
- 801.3 **Operating Plan.** The operating plan is to enumerate the specific means through which the applicant intends to comply with the city and state regulatory requirements and shall include, at least the following specific requirements:
- (a) How and where marijuana or marijuana products will be cultivated, manufactured, tested, advertised, processed, stored, packaged, exhibited, purchased, exchanged and sold;
 - (b) How the business, licensed premises and adjacent grounds will comply with each requirement contained in State law and city ordinance, especially these rules and regulations;
 - (c) How the operation will reduce or mitigate adverse effects on the area in which it is situated, including but not limited to any adverse effects related to crime, traffic, parking, noise and lighting;
 - (d) Hours of operation;

- (e) Number of employees;
 - (f) Parking for employees and customers on the adjacent grounds;
 - (g) Traffic flow into and out of the adjacent grounds;
 - (h) Record keeping as required under State law and these rules and regulations;
 - (i) Procedures for identifying purchasers when making sales; and
 - (j) Any additional information necessary to demonstrate the applicant's ability to achieve the business goals and comply with the city and state regulatory requirements.
- 801.4 Business Plan. The business plan is to demonstrate the applicant's ability to successfully operate in a highly regulated industry over an extended period of time and shall include, at least, the following specific requirements:
- (a) The ability of the applicant to successfully operate in a highly regulated industry;
 - (b) Clear estimates for revenues and operating costs;
 - (c) Documentation to verify the applicant has the financial resources to pay all start-up and operational costs for at least the first year of business;
 - (d) Any additional information necessary to demonstrate the applicant's ability to successfully operate in a highly regulated industry over an extended period of time; and
 - (e) Business goals.

Rule 802: Age Requirements.

- 802.1 Age limitation. Retail marijuana establishments may not allow persons less than 21 years of age to enter limited access areas under any circumstances. No retail marijuana store is permitted to sell marijuana to persons younger than 21 years of age, and stores must conspicuously post signage in the entrance area that clearly states: "You must be at least 21 years old to enter."

- 802.2 Identification Scanners. For retail marijuana stores, the business shall verify the proof of age of every person entering the business with an electronic identification scanner. An electronic identification scanner is a device that is capable of quickly and reliably confirming the validity of an identification using computer processes.
- 802.3 Receipts. All receipts for the sale of retail marijuana to consumers must contain the statement: “It is illegal to transfer or sell retail marijuana or retail marijuana products to anyone under the age of 21.”

Rule 803: Hours of Operation and Access.

- 803.1 Store Hours. Retail marijuana stores shall not sell or serve retail marijuana between the hours of 12:00 a.m. and 8:00 a.m., Mountain Time, Monday through Sunday.
- 803.2 Other Hours. Retail marijuana cultivation facilities, retail marijuana product manufacturing facilities, and retail marijuana testing facilities, may conduct business operations on the licensed premises at any time in accordance with state law.
- 803.3 Posting Required. Retail marijuana establishments must post their hours of operation at the main entry of the store or facility.
- 803.4 Public Access Restricted. Retail marijuana cultivation facilities, retail marijuana product manufacturing facilities, and retail marijuana testing facilities shall track any visitors in an entry log identifying the visitor’s name, entry and departure times, and the purpose of the visit. Visitors to such establishments must be escorted by a manager or owner at all times while within the facility and required to wear a badge identifying them as a visitor. In the event that a licensed retail marijuana store is located in the same building as a retail marijuana cultivation facility, retail marijuana product manufacturing, or retail marijuana testing facility, only the portion of the building occupied by the retail marijuana store shall be open to the general public.

Rule 804: Personal Requirements for the licensee, principals, registered manager and employees.

- 804.1 The State of Colorado has accepted the applicant’s application for a retail marijuana store license and the applicant, principals, registered managers and employees meet all requirements for issuance of a State license;

804.2 The applicant, the applicant's financiers, principals, registered manager, and employees are persons of good character and record. When making any determination as to good character and record, the Authority may consider whether an applicant, principal, registered manager or employee has rehabilitated himself after committing a crime or other act or omission tending to indicate that such person is not a person of good character. The burden of proof to show that a person has been rehabilitated shall be beyond a reasonable doubt and shall be placed on the individual whose character is at issue. When evaluating claims of rehabilitation, the Authority shall consider the following factors:

- (a) The facts of the specific crime or other act tending to show a bad character and record;
- (b) Whether the specific crime or other act tending to show bad character and record involved controlled substances, dishonesty, fraud, bad faith, moral turpitude or violence;
- (c) Whether the specific crime or other act tending to show bad character and record involved a felony, misdemeanor, municipal offense, a civil wrong or other wrongful conduct;
- (d) Whether the specific crime or act caused injury or harm to other persons or entities and the extent of such harm or injury;
- (e) The length of time that has expired since the act or omission was committed;
- (f) Whether the person has led a law abiding life and has demonstrated good character since the act or omission was committed;
- (g) Whether the person has committed other acts tending to indicate bad character since the act or omission was committed;
- (h) Restitution, damages and compensation that the person has paid to persons victimized by the act or omission;
- (i) Fines, jail sentences, probation, community service and other penalties paid or served since the act was committed; and
- (j) Any other factor tending to show that the person has or has not rehabilitated his or her character and conduct.

804.3 The applicant, principals, registered manager and employees are trained or experienced in,

and able to comply with, the requirements of these rules and regulations and state law pertaining to retail marijuana establishments. In determining whether such persons have shown sufficient training or experience, the Authority shall consider, among other things, the following factors:

- (a) The role that the individual will play in operating the establishment;
- (b) Previous experience operating retail marijuana establishments;
- (c) Completion of state or industry-approved courses on how to comply with Colorado laws and regulations regarding retail marijuana establishments; and
- (d) The individual's understanding of State law and city ordinances regulating retail marijuana as shown under questioning by the Authority at the hearing.

804.4 The applicant, principals, registered manager and employees all hold valid occupational licenses and registrations for retail marijuana issued by the State of Colorado.

Rule 805: Owner or Manager Present.

805.1 **Owner or Business Manager Required on Premises.** No retail marijuana establishment shall be managed by any person other than the licensee or a business manager listed on the application for the license or a renewal thereof. Such licensee or business manager shall be on the premises and responsible for all activities within the licensed business during all hours of operation.

805.2 The owner or business manager on duty shall be responsible for ensuring that the licensed premises and adjacent grounds are operated in compliance with these Rules and Regulations.

805.3 **Business Manager Changes.** In the event the licensee intends to employ a business manager that was not identified on the license or renewal application, the licensee shall report the name of such business manager to the city, and such business manager shall submit to the city, at least thirty (30) days prior to commencing employment, the requested contact and background information for the business manager on a form specified by the Authority. Licensees shall report to the city the release or removal of a business manager from employment no later than five days after such an occurrence.

Rule 806: Sales Limitations.

- 806.1 Direct Sales. All retail sales of marijuana must be in person, directly to the purchaser. No sales may be made through a drive up window, by telephone, internet, or other means of remote purchase.
- 806.2 Giveaways. Retail marijuana stores may not distribute marijuana or marijuana products to a consumer free of charge.

Rule 807: Trade Names, Trademarks, Logos, Labels, Packaging and Advertising.

- 807.1 General Requirements. All retail marijuana establishments are subject to the signage requirements contained in Chapter 10, Title XVII of the Pueblo Municipal Code, and the restrictions on advertising and marketing under the CMC.
- 807.2 With regards to a licensee's building façade, signs, and other outdoor advertising, a licensee may use a logo, trademark, trade name, sign or advertising using the word "marijuana" or "cannabis," but not any alternative spelling or abbreviation of the same, any slang term for the same commonly understood as referring to marijuana, or any depiction of any paraphernalia or other image commonly understood as referring to marijuana. A licensee may use images of a cannabis leaf, which shall be considered a commercial message, not art, and which must comply with Chapter 10 of Title XVII of the Pueblo Municipal Code. This prohibition shall not apply to any advertisement contained within a newspaper, magazine or other periodical of general circulation within the City or on the internet, which may include coupons, or that is purely incidental to sponsorship of a charitable event by a retail marijuana establishment. Such signage and advertising must not be misleading, false, infringe upon any state or federal trademark, nor be designed to appeal to minors.
- 807.3 Nothing contained in Rule 807 shall be construed as creating a prior restraint on speech or press. The Authority shall not require an applicant or licensee to obtain any approval or license from the Authority before using any logo, trademark, trade name, sign or advertising. Nothing contained in this subsection shall prevent the city from taking civil, administrative or criminal action against any person or license after any logo, trademark, trade name, sign or advertising has been used.
- 807.4 Any court of competent jurisdiction construing or applying this Rule 807 shall seek a saving construction and application that makes the Rule constitutional. In the event that any court of competent jurisdiction determines that any provision in this Rule violates any right that any person may have to free speech or press, despite the court's saving construction and

application, the court shall strike this Rule only and sever the same from the remainder of these Rules and Regulations, which shall remain valid and effective without this Rule.

- 807.5 No Public Advertising. No advertisement for marijuana or marijuana products is permitted on signs mounted on vehicles, temporary signs, hand-held or other portable signs, handbills, leaflets or other flyers directly handed to any person in a public place, left upon a motor vehicle or posted upon any public or private property without consent of the property owner. This prohibition shall not apply to (1) any advertisement contained within a newspaper, magazine or other periodical of general circulation within the city or on the Internet; and (2) advertising which is purely incidental to sponsorship of a charitable event not geared to or for the benefit of children or youth.

Rule 808: Books and Records.

- 808.1 Every licensee shall maintain on the licensed premises, at any time that any person is present on the licensed premises, accurate and up to date books and records of the business operations of the licensee, or an authentic copy of the same, including but not limited to the following:
- (a) Lists, manifests, orders, invoices and receipts for all marijuana, marijuana plants and marijuana products cultivated, harvested, manufactured, tested, processed, produced, delivered, purchased, stored, sold and exchanged during the preceding two (2) years, by each transaction or event, including the date and time of each transaction, source, strain, type, quantity, weight and purchaser and whether each transaction involved harvested marijuana, live plants, marijuana products or seeds;
 - (b) An inventory of all marijuana and marijuana products presently on the licensed premises;
 - (c) Sales and use taxes and excise taxes collected and paid; and
 - (d) The name, address and a copy of the retail marijuana license of any retail marijuana licensee with whom the licensee has transacted any business, including but not limited to any purchase, sale, or exchange of marijuana plants, harvested marijuana or marijuana products.
- 808.2 Disclosure of Records. By applying for a retail marijuana establishment license, the licensee is providing consent to disclose any information required under these regulations. Any document that the applicant considers eligible for protection under the Colorado Open

Records Act shall be clearly marked as confidential, and the reasons for such confidentiality shall be stated. If the city finds that such documents are subject to inspection as public records of the city, it will attempt to provide appropriate notice to the applicant prior to such disclosure.

- 808.3 Separate Bank Accounts. The revenues and expenses of a retail marijuana establishment shall not be commingled in a checking account or any other bank account with the deposits or disbursements of any other business or individual person, except for a parent company.
- 808.4 Audits. The Authority may require an audit to be made of the books of account and business records of a retail marijuana establishment when it considers it necessary.
- 808.5 Reporting Requirements. A retail marijuana establishment shall report to the Authority each of the following within the time specified. If no time is specified, the report shall be provided within seventy two (72) hours of the event.
- (a) A violation of any law by any licensee or applicant, manager, or employee of a retail marijuana establishment;
 - (b) A notice of potential violation of any law related to the licensee;
 - (c) Any report that the retail marijuana establishment is required to provide to the State of Colorado; or
 - (d) Reports of all criminal activities or attempts of violation of any law at the retail marijuana establishment or related thereto shall immediately be reported to the Pueblo Police Department.

Rule 809: Separation of Marijuana Establishments.

Retail marijuana stores, retail marijuana cultivation facilities, retail marijuana product manufacturing facilities and retail marijuana testing facilities, are all separate establishments requiring separate licenses, regardless of any shared ownership or location. In addition to all other application requirements for separate premises, each establishment shall:

- (a) Have separate operations, security, and fire suppression systems, and separate access from a public area;
- (b) Be divided within a building from floor to roof. Unless higher performance is required

by applicable law, there must be a minimum of a one-hour fire separation between a retail marijuana establishment and any adjacent business; and

- (c) Obtain delivery documents and manifests for movement of any marijuana and/or marijuana product between any of the licensed retail marijuana establishments.

Rule 810: Visibility of Operations.

Under no circumstances shall activities related to the cultivation, production, processing, distribution, storage, display, or sales of marijuana and marijuana products be visible from the exterior of the business.

Rule 811: Documents to Be Displayed.

811.1 Display of Licenses Required. The general business license, along with the retail marijuana establishment license, shall be conspicuously posted inside the retail marijuana establishment near the main entrance.

811.2 The licensee shall post the following on the licensed premises in a prominent place where persons can easily view and read while standing in a location accessible to the public:

- (a) The license certificate issued by the State, along with any conditions on the same.
- (b) The license certificate issued by the Authority, along with any conditions on the same.
- (c) A notice at least twenty-four (24) inches by twenty-four (24) inches in letters at least one (1) inch in height, stating:

THIS RETAIL MARIJUANA LICENSED PREMISES IS MANAGED BY: (STATE NAME, ADDRESS AND PHONE NUMBER FOR REGISTERED MANAGER). THE PRINCIPALS IN THIS BUSINESS ARE AS FOLLOWS: (NAMES)

- (d) A notice at least twenty-four (24) inches by twenty-four (24) inches in letters at least one (1) inch in height, stating:

IF YOU HAVE CONCERNS ABOUT THE WAY THIS RETAIL MARIJUANA LICENSED PREMISES IS OPERATED, OR OTHER ACTIVITY ON THESE PREMISES, PLEASE CONTACT THE PUEBLO POLICE DEPARTMENT AT: (719) 553-2538.

- 811.3 The licensee shall post the following on the licensed premises in a prominent place near other notices to employees, where the licensee, principals, registered manager and employees can easily view the same: a notice at least twenty-four (24) inches by twenty-four (24) inches in letters at least one (1) inch in height, stating:

NOTICE TO LICENSEE, PRINCIPALS, REGISTERED MANAGER AND EMPLOYEES:

THESE PREMISES, THE ADJACENT GROUNDS AND EVERY ROOM, AREA, LOCKER, SAFE AND CONTAINER ON THE LICENSED PREMISES AND ADJACENT GROUNDS EXCEPT YOUR PERSON, THE PERSONAL EFFECTS IN YOUR IMMEDIATE POSSESSION, AND YOUR PRIVATE VEHICLE, ARE SUBJECT TO INSPECTION BY CITY EMPLOYEES AND POLICE OFFICERS AT ANY TIME THAT ANY PERSON IS PRESENT ON THE LICENSED PREMISES, WITHOUT A WARRANT, AND WITHOUT REASONABLE SUSPICION TO BELIEVE THAT ANY OFFENSE HAS OCCURRED. YOU HAVE NO REASONABLE EXPECTATION OF PRIVACY ON THESE PREMISES AND THE ADJACENT GROUNDS EXCEPT IN YOUR PERSON, THE PERSONAL EFFECTS IN YOUR IMMEDIATE POSSESSION AND YOUR PRIVATE VEHICLE.

Rule 812: Security Requirements.

- 812.1 Security Plan. All applicants for retail marijuana establishment licensure shall file a written security plan with the Authority. The security plan will be protected from public disclosure as provided under the Colorado Open Records Act, §24-72-204(2)(a)(VIII)(A), C.R.S.
- (I) The written security plan shall address, at a minimum, the following elements:
 - (a) Methods to prevent and protect employees and others from robberies and assaults on the licensed premises and adjacent grounds;
 - (b) Methods to prevent burglaries on the licensed premises and adjacent grounds when the premises are closed;
 - (c) Exterior lighting of the building and adjacent grounds;
 - (d) Windows from the licensed premises providing a view from inside the licensed premises to the adjacent grounds;

- (e) Locks, burglar alarms and a safe or vault as required in this Chapter;
 - (f) A limited access area barrier, limited access area and employee badges for entering the limited access area as required under State law and this Chapter; and
 - (g) Any additional information necessary to demonstrate the security of the licensed premises and adjacent grounds.
- (II) The following list provides the specific information that must be provided on the security plan to show compliance with Rule 812.1(I)(a) through (I)(g).
- (a) Evidence that the space will comply with all security and video surveillance requirements set forth in these rules and the state marijuana rules;
 - (b) A site plan showing the entire vicinity in which the retail marijuana establishment is located, including the street(s), parking lot(s), other tenants within the facility, and any other entities that physically border the establishment;
 - (c) A floor plan of the retail marijuana establishment detailing the locations of the following:
 - (1) All entrances and exits to the establishment;
 - (2) The location of any windows, skylights, and roof hatches;
 - (3) The location of all cameras, and their field of view;
 - (4) The location of all alarm inputs (door contacts, motion detectors, duress/hold up devices) and alarm sirens;
 - (5) The location of the digital video recorder and alarm control panel; and
 - (6) Restricted and public areas;
 - (d) The type of security training provided for, and completed by, establishment personnel, including conflict resolution training and procedures for handling violent incidents;
 - (e) How the applicant intends to use and maintain an incident log;

- (f) The establishment's procedures for preventing the use of marijuana on the licensed premises;
- (g) Security measures taken by the applicant to prevent individuals from entering the limited access area portion of the registered premises;
- (h) The applicant's closing procedures after the cessation of business each day;
- (i) The applicant's plan to prevent theft or the diversion of marijuana, including maintaining all marijuana in a secure, locked room that is accessible only to authorized persons;
- (j) The type of alarm system and outdoor lighting to be used by the applicant; and
- (k) The applicant's procedures for accepting delivery of retail marijuana products at the facility, including procedures for how it is received, where it is stored, and how the transaction is recorded.

812.2 Minimum Standards. The applicant must demonstrate that the following security measures are in place or will be implemented prior to opening:

- (a) Installation of a safe or vault for storage of any processed marijuana or marijuana product and cash on the premises when the business is closed to the public. The safe or vault must be incorporated into the building structure or secured to the structure to prevent removal. For marijuana products that must be kept refrigerated or frozen, the establishment may lock the refrigerated container or freezer so long as the appliance is affixed to the building structure;
- (b) Any dumpster or similar trash receptacle on the premises used to discard retail marijuana products must have a metal cover or lid that is locked at all times when the receptacle is unattended;
- (c) Cultivation and manufacturing facilities are required to have audible and visual notification systems to alert employees of the presence of persons ringing the doorbell to gain access to the facility;
- (d) All doors, windows and other points of entry have secure and functioning locks;
- (e) If the licensed premises are connected by any passage or entryway to any other premises, there is a door between the two (2) premises that can be locked from the

licensee side and cannot be opened from the other side;

- (f) A professionally monitored burglar (security) alarm system that detects unauthorized entry of all doors, windows and other points of entry to the proposed licensed premises and complies with Rule 812.3; and
- (g) Windows facing the adjacent grounds and lighting of the adjacent grounds sufficient to ensure that persons entering and leaving the licensed premises, entering and exiting parked cars on the adjacent grounds, and walking across the adjacent grounds can be observed by employees from inside the licensed premises.

812.3 Security Alarm System. All retail marijuana establishments shall install, maintain, and use a professionally monitored security alarm system meeting the following requirements:

- (a) The system shall provide coverage of all facility entrances and exits, rooms with exterior windows, rooms with exterior walls or walls shared with other building tenants, roof hatches, skylights, and storage rooms containing safes or vaults;
- (b) The system shall include at least one silent holdup or duress alarm that can be manually triggered in case of emergency;
- (c) The alarm system must be equipped with a failure notification and a battery backup system sufficient to support a minimum of four hours in the event of a power outage;
- (d) The alarm system must be monitored by a company that is staffed twenty-four (24) hours a day, seven days a week. The security plan submitted to the city shall identify the company monitoring the alarm, including contact information, and shall be updated within seventy-two (72) hours in the event the monitoring company is changed; and
- (e) The licensee shall maintain for a period of three (3) years, reports of any incidents triggering an alarm, and such reports shall be made available to the Authority and the Pueblo Police Department during any inspection of the facility.

812.4 Greenhouse Cultivation. If allowed by zoning requirements, any greenhouse cultivation facility is a limited access area and must meet all of the security requirements, including alarm and video surveillance systems, described in these regulations. Greenhouse cultivation facilities must provide sufficient security measures to demonstrate that outdoor areas are not readily accessible by unauthorized individuals. The licensee is responsible for maintaining physical security in a manner similar to a retail marijuana cultivation facility located in an indoor licensed premises.

- 812.5 Protection from Disclosure. The security plan will be protected from public disclosure as provided under the Colorado Open Records Act, § 24-72-204(2)(a)(VIII)(A), C.R.S. If the applicant believes that portions of the business plan or operating plan would cause a competitive disadvantage to the applicant if disclosed pursuant to an open records request, the applicant should identify the specific sections of the plan that would cause the competitive disadvantage and request that those portions be protected from disclosure. The general policies for disclosure of application materials are described in Rule 808.2.

Rule 813: Video Surveillance.

Prior to receiving a license to operate, all retail marijuana establishments are required to install a video surveillance system satisfying the minimum standards described below, in addition to the state requirements set forth in Rule 306 of the state marijuana rules.

- 813.1 Operation. Retail marijuana establishments are responsible for ensuring that all video surveillance equipment is properly functioning and maintained, such that the surveillance equipment is capturing the identity of all individuals and activities in the monitored areas with a recording quality suitable for viewing. The surveillance systems must be continuously operational at all times, twenty-four (24) hours per day. The retail marijuana establishment or agent overseeing the functioning of the video surveillance system must immediately report to the Pueblo Police Department any malfunctions or technical problems with the system.
- 813.2 Equipment. Video surveillance equipment shall, at a minimum, consist of digital or network video recorders, cameras capable of meeting the recording requirements described in this rule, video monitors, digital archiving devices, and a color printer capable of delivering still photos. The surveillance equipment must meet the following specifications:
- (a) The video cameras employed in the system must have a minimum resolution of 1.3 megapixels (1280 x 1024 pixels) and record at a minimum rate of 12 frames per second;
 - (b) All video cameras employed in the system must have infrared capabilities to capture images in low lighting conditions;
 - (c) The use of motion detection is authorized when a licensee can demonstrate that monitored activities are adequately recorded;

- (d) All video surveillance systems must be equipped with a failure notification system and a battery backup system sufficient to support a minimum of four hours of recording in the event of a power outage; and
- (e) The licensee's surveillance system or equipment must have the capabilities to produce a color still photograph from any camera image, live or recorded, of the licensed premises.

813.3 Camera Placement and Coverage. The retail marijuana establishment shall install and use security cameras to monitor and record all interior areas of the premises, except in restrooms, along with outdoor trash receptacles and all points of ingress and egress to the exterior of the licensed premises. All entrances and exits to the facility shall be recorded from both indoor and outdoor vantage points, with camera placement capable of identifying activity occurring within twenty (20) feet of all such points of ingress and egress. Camera placement in all areas shall allow for the clear and certain identification – with sufficient detail to identify facial features and clothing – of any individual and activities present on the licensed premises.

813.4 Location and Maintenance of Surveillance Equipment.

- (a) Surveillance recording equipment must be housed in a designated, locked, and secured room or other enclosure with access limited to authorized employees, service personnel or contractors, state or local law enforcement agencies, and agents of the Authority and the Colorado Marijuana Enforcement Division.
- (b) Licensees must maintain a current list of all authorized employees and service personnel who have access to the surveillance system and shall keep a surveillance equipment maintenance activity log on the licensed premises to record all service activity including the identity of the individual(s) performing the service, the service date and time and the reason for service to the surveillance system.
- (c) Each licensed retail establishment must have a separate surveillance room or area that is dedicated to those specific licensed premises, regardless of any shared or adjoining location in a common building, except as provided in subpart (d) below.
- (d) Commonly-owned retail marijuana establishments located in the city may have one central surveillance room located at one of the commonly-owned licensed premises which simultaneously serves all of the commonly-owned retail facilities. The facility (or facilities) that does not house the central surveillance room is required to have a review station, printer, and map of camera placement on the premises. All minimum

requirements for equipment and security standards as set forth in this section apply to the review station.

813.5 Video Recording and Retention Requirements.

- (a) All surveillance recordings are required to be retained for a minimum of sixty (60) days and shall be in a digital format that can be easily accessed for viewing and that ensures authentication of the recording as being legitimately captured without alterations.
- (b) In addition to maintaining surveillance recordings in a locked area on the licensed premises, a copy of the surveillance recordings must be stored at a secure off-site location in the city or through a network “cloud” service that provides on-demand access to the recordings. The off-site location or network service provider shall be included in the security plan submitted to the city and provided to the Pueblo Police Department upon request, and updated within seventy-two (72) hours of any change to the location or provider.
- (c) All surveillance recordings shall be embedded with the date and time without significantly obscuring the picture.
- (d) Regardless of the expiration of the sixty (60) day limit for retention of surveillance video recordings, such recordings may not be destroyed if the licensee knows or should have known of a pending criminal, civil or administrative investigation, or any other proceeding for which the recording may contain relevant information.

Rule 814: Limited Access Areas.

Retail marijuana shall only be grown, cultivated, processed, stored, weighed, displayed, packaged, sold, or possessed for sale in a limited access area under the licensee’s control. Licensees shall restrict entrance to limited access areas only to owners and employees in possession of an occupational license from the state Marijuana Enforcement Division, along with visitors registered as described below.

814.1 Visitors in Limited Access Areas. Visitors must be escorted at all times by a person holding a valid owner or occupational license. Management personnel of the licensee must take the following actions prior to allowing any visitor to enter a limited access area:

- (a) Enter the visitor’s name, address and the purpose of the visit into a log, which shall be

made available for inspection upon request;

- (b) Check the identification for all visitors to verify that the name on the identification matches the name in the visitor log and that the visitor is at least twenty one (21) years of age; and
 - (c) Provide a visitor identification badge that shall remain visible at all times while in the limited access area.
- 814.2 Required Signage. All areas of ingress and egress to limited access areas on the licensed premises shall be clearly identified by the posting of a sign at least twelve (12) inches wide and six (6) inches high, which shall state “Employees Only” in letters at least one-half (0.5) inch in height.
- 814.3 Violations. A retail marijuana establishment’s failure to comply with the limited access area restrictions and procedures described in this rule may be considered a license violation affecting the public safety.
- 814.4 Enforcement Personnel Authorized. Notwithstanding the other requirements of this rule, nothing shall prohibit investigators and employees of the Authority, the state Marijuana Enforcement Division, or state or local law enforcement personnel from entering a limited access area for an authorized inspection or enforcement purpose upon presentation of official credentials.

Rule 815: General Building Requirements.

- 815.1 Licensed Contractors. All construction, remodeling, electrical, mechanical and plumbing work must be performed by an appropriately licensed contractor. Once an applicant has selected a contractor to perform a project, it is recommended that the applicant contact the Building Division to schedule a meeting to discuss the scope of the project and specific requirements that may apply.
- 815.2 Compliance with Plans. All construction, remodeling, electrical, mechanical and plumbing work must be completed in compliance with the building plans, site plan or redevelopment plan. A copy of the building plans, site or redevelopment plan must be retained on the licensed premises at all times for verification during inspections.

Rule 816: Mechanical and Electrical Equipment.

- 816.1 Exterior Requirements. All mechanical equipment, whether mounted on the rooftop or at ground level, must be fully screened from public view. Electrical panels on the outside of the building must be painted to match the building or screened from public view.
- 816.2 Rated Equipment. All appliances shall be listed and labeled, via United Laboratories (UL) or an equivalent organization, for the application in which they are installed and used.
- 816.3 Cultivation Grow Room Lighting. Areas in which marijuana is grown in cultivation facilities shall be equipped with green lights, or an equivalent means of illumination, to enable access and inspections during dark cycles.

Rule 817: Odor Management.

- 817.1 General Standard. For all retail marijuana establishments, the odor of marijuana must not be perceptible at the exterior of the building at the licensed premises or at any adjoining use of the property.
- 817.2 Ventilation and Filtration Systems. Retail marijuana cultivation facilities must implement appropriate ventilation and filtration systems to satisfy the odor nuisance standard described above in Rule 817.1. While the city does not mandate any particular equipment specifications with regard to filtration, all retail marijuana establishments are strongly encouraged to adopt best management practices with regard to implementing state-of-the-art technologies in mitigating marijuana odor, such as air scrubbers and charcoal filtration systems.
- 817.3 Noxious Gases and Fumes. Retail marijuana product manufacturing facilities and retail marijuana testing facilities shall include appropriate ventilation systems to mitigate noxious gases or other fumes used or created as part of the production.
- 817.4 Sealed Walls. Unless higher performance is required by applicable law, there must be a minimum of a one-hour fire separation in accordance with the adopted version of the International Building Code (IBC) between a retail marijuana establishment and any adjacent occupancy regardless of occupancy classification. Per IBC, fire barriers shall extend from the top of the floor/ceiling assembly below to the underside of the floor or roof sheathing, slab or deck above and shall be securely attached thereto. Such fire barriers shall be continuous through concealed spaces, such as the space above a suspended ceiling.
- 817.5 Enforcement. The odor standard described above in Rule 817.1 will be strictly enforced, and violation thereof shall be grounds for imposition of penalties. Each day on which a

violation shall occur or continue shall be deemed a separate and distinct offense, and a continuing violation may be grounds for license suspension or revocation.

Rule 818: Organization of Cultivation Facilities.

All cultivation facilities shall be organized in orderly rows with aisles at least forty two (42) inches wide, and clear access to all exits, unless the Authority determines that the business has provided a dimensioned floor plan that provides equivalent access and separation between plants and to exits.

Rule 819: Exterior Requirements.

If no site or redevelopment plan exists, one will be required before the license is issued.

- 819.1 Address Identification. All retail marijuana establishments shall display address or unit numbers in such a position as to be plainly visible and legible from a location nearest to the street or road fronting the property. The numbers used shall consist of Arabic numerals made of a durable material sharply contrasted in color with the background material on which they are placed, and shall be of a uniform height not less than four (4) inches.
- 819.2 Signage. Prior to installation of any permanent sign, a sign permit must be obtained from the city through a licensed sign contractor. All signs must be maintained in a state of good repair, including structural supports and any paint or lighting. Retail marijuana establishments must comply with Chapter 10, Title XVII, of the PMC and related regulations regarding signage, such as limitations on the number and area of signs allowed. No advertisement for marijuana or marijuana products is permitted on signs mounted on vehicles, temporary signs, or hand-held or other portable signs.
- 819.3 Exterior Maintenance. Every wall, window, roof, and door must be weatherproof and watertight and must be kept free of holes, loose or rotting boards or timbers. Faded or deteriorating walls, trim, siding and doors must be painted or replaced as appropriate. Sidewalks, driveways and parking surfaces must be maintained free of weeds, potholes, dirt, snow, ice, trash and debris. Businesses must stripe parking spaces and maintain the pavement. Any graffiti located on licensed premises shall be removed promptly.
- 819.4 Trash. Each business is responsible for removing trash, litter and garbage from its property. An active trash service contract must be maintained on file, and trash must be removed from the property on a weekly basis, or more often if necessary. Dumpsters and trash containers must not be overflowing, and the surrounding area must be kept free of litter and trash. All dumpsters and containers shall be screened from public view. Per the security

regulations of Rule 812.2, all trash receptacles on the premises used to discard retail marijuana products must have a metal cover or lid that is locked at all times when the receptacle is unattended and security cameras must be installed to record activities in the area of such trash receptacles.

- 819.5 Roof Access. All retail marijuana establishments must provide access to the roof via stairs, ladders, or other appropriate means to permit inspection and enforcement activities. Roof access hatches or similar portals must remain locked when unattended and must be covered by video surveillance and security alarm systems.

Rule 900 Series: Land Use and Zoning

Please see Title XVII, Zoning Code, of the Pueblo Municipal Code (PMC) for specific requirements.

Rule 901: Zoning Definitions.

Conditional use is a use permitted only upon issuing a conditional use permit by the Administrative Official and subject to the limitations and conditions specified in the applicable ordinances.

Marijuana means all parts of the plant of the genus *cannabis* whether growing or not, the seeds thereof, the resin extracted from any part of the plant, and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or its resin.

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

Marijuana products means concentrated marijuana products and marijuana products that are comprised of marijuana and other ingredients and are intended for use or consumption, such as, but not limited to, edible products, ointments, and tinctures.

Retail marijuana consumer means a person twenty-one years of age or older who purchases marijuana or marijuana products for personal use by persons age twenty-one years of age or older, but not for resale to others.

Retail marijuana cultivation means the planting, growing, or harvesting of marijuana, including but not limited to hydroponic cultivation and cloning.

Retail marijuana store means an entity licensed to purchase marijuana from marijuana cultivation facilities, and marijuana products from marijuana product manufacturing facilities, and to sell marijuana and marijuana products to retail marijuana consumers.

Retail marijuana testing facility means an entity which may analyze and certify the safety and potency of marijuana.

Retail marijuana cultivation facility means an entity which cultivates, prepares, and packages marijuana and sells marijuana to retail marijuana stores, to retail marijuana product manufacturing facilities, and to other retail marijuana cultivation facilities, but not to consumers.

Retail marijuana product manufacturing facility means an entity which may purchase marijuana; manufacture, prepare, and package marijuana products; and sell marijuana and marijuana products to other marijuana product manufacturing facilities and to retail marijuana stores, but not to consumers.

School means an education facility and includes parochial, private, professional, college, university and public schools.

School, parochial means an educational facility, operated by a religious body organized to sustain public worship, which provides instruction designed to comply with the State's compulsory educational requirements. Religious training may also be an accessory use. This definition shall apply to primary and secondary education facilities only.

School, private means a business operation which provides education in return for payment of fees or other consideration. *Private schools* shall include, but not be limited to, private elementary schools, private secondary schools, trade and vocational schools, beauty and barber schools, and business schools.

School, professional; college; or university means an educational facility which provides instruction designed to secure a degree in a general field or a specialized professional field.

School, public means an educational facility, operated by a public school district having general taxing power, which provides instruction designed to comply with the State's compulsory education requirements. This definition shall apply to primary and secondary education facilities only.

Rule 901: Zoning Limitations.

- 901.1 Retail Marijuana Stores. The operation of a retail marijuana store is only permitted within the B-3, B-4, B-P, I-2 and I-3 Zone Districts upon issuance of a Conditional Use Permit.
- 901.2 Retail Marijuana Cultivation, and Retail Marijuana Product Manufacturing. The operation of a retail marijuana cultivation and retail marijuana product manufacturing is only permitted within the B-P, I-1, I-2 and I-3 Zone Districts upon issuance of a Conditional Use Permit.
- 901.3 Retail Marijuana Testing Facilities. The operation of a retail marijuana testing facility is

only permitted within the B-3, B-4, B-P, I-1, I-2 and I-3 Zone Districts upon issuance of a Conditional Use Permit.

- 901.4 Land Use Verification. The Administrative Official shall verify all requirements of a Conditional Use Permit have been met, prior to the issuance of the Conditional Use Permit. At the time of application for a retail marijuana establishment license, the Authority will verify that the retail marijuana establishment has been issued a Conditional Use Permit according to Section 17-4-51, Title XVII, of the PMC.

Rule 902: Conditional Use Permits.

- 902.1 A use may be permitted as a conditional use if certain minimum conditions contained in the applicable ordinances have been satisfied as determined by the Administrative Official. The Administrative Official shall have ninety (90) days to complete the review of an application after it has been determined to be complete. If the Administrative Official, after reviewing the application, determines one or more of the conditions required for the permit cannot be satisfied, the Applicant may seek approval of a Use by Review for the proposed use in accordance with Section 17-5-33 of the Pueblo Municipal Code.
- 902.2 All Conditional Use Permits shall expire one (1) year after issuance. Application and applicable fee for renewal of the Conditional Use Permit must be received thirty (30) days prior to the expiration date of the Permit. Annual review of the Conditional Use Permit shall be required to verify compliance with all requirements of the Permit. Failure to comply with all requirements of the Permit, as well as any zoning violations, shall be grounds for denial of the annual renewal.

Rule 903: Conditions Required for Retail Marijuana Facilities.

- 903.1 Retail marijuana cultivation facility conditions:
- (a) The facility shall not be located within one thousand (1,000) feet of a legally operational school, which holds classes, as determined by direct measurement from the property line of the facility to the closest property line of the school. Establishing a school within the required buffer after the Conditional Use Permit is issued shall not be grounds to suspend, revoke or decline to renew the Permit for such facility provided the Permit and license for the facility remains lawfully in effect. The Zoning Board of Appeals shall have the authority to grant a variance from the one thousand (1,000) foot school buffer only if the property line of the school, by direct measurement, is one

thousand (1,000) feet from the building of the marijuana facility.

- (b) The facility shall demonstrate compliance with all ordinances, including but not limited to drainage, detention, water quality, parking, landscaping, sewer, and public improvements
- (c) All grow operations shall be conducted in an enclosed building or greenhouse.
- (d) Outdoor grow operations shall be prohibited.
- (e) Grow operations shall not be located in any structure containing a residential use.
- (f) Notwithstanding anything to the contrary, all facilities shall provide, at a minimum, the following improvements:
 - (1) Install landscaping according to Section 17-4-7 of Title XVII, PMC, regardless of the applicability stated in Section 17-4-7(b)(2).
 - (2) Compliance with architectural requirements according to the zone district. Industrial zoned properties shall comply with Section 17-4-49. All other zoned properties shall comply with Sections 17-4-46, 17-4-47 or 17-4-48 based on the building size. The Administrative Official has the authority to require alternative requirements for architecture, in cases where the zoning requirements are not appropriate for a particular building or structure.
 - (3) Provide parking according to Section 17-4-43(b), Section 17-4-44, or Section 17-4-45, PMC. All required parking spaces shall be permanent in character and provided with a permanent driveway to a public way. The driveway and parking spaces shall be paved with asphalt, concrete, Portland cement concrete or pavers.
 - (4) Provide public improvements to bring the site and adjacent rights-of-way into compliance with applicable city standards, including but not limited to repairing or replacing broken sidewalks, curbs and gutters, and providing an ADA driveway “walk-around.”
 - (5) Provide drainage, detention, and water quality in compliance with Storm Drainage Design Criteria and Drainage Policies for the City of Pueblo, June 9, 1997 (City Stormwater Criteria). Provide erosion and sediment control in compliance with City Stormwater Criteria and Colorado Department of Public Health and Environment.

- (6) Provide a maintenance plan for improvements required to be installed as part of the Conditional Use Permit.
- (7) The Administrative Official shall have the authority to modify, or substitute additional requirements for, any of the requirements listed above when the changes to the existing building will have a negative impact on the health, safety, and welfare of the surrounding neighborhood.
- (8) The Administrative Official has the authority to reduce the requirements listed above for facilities which only lease a portion of an existing structure.
- (g) Each licensed location is permitted one (1) “64” sign, up to ten (10) square feet.
- (h) Existing windows may be screened from the interior of the building, but shall not be removed or covered from the exterior.

903.2 Retail marijuana product manufacturing facilities.

- (a) The facility shall not be located within one thousand (1,000) feet of a legally operational school, which holds classes.
- (b) The facility shall demonstrate compliance with all ordinances, including but not limited to drainage, detention, water quality, parking, landscaping, sewer, and public improvements
- (c) All retail marijuana products shall be prepared in a building or facility that is used exclusively for the manufacture and preparation of marijuana products.
- (d) All retail marijuana products shall be prepared using equipment that is used exclusively for the manufacture and production of marijuana products.
- (e) Notwithstanding anything to the contrary, all facilities shall provide, at a minimum, the following improvements:
 - (1) Install landscaping according to Section 17-4-7 of Title XVII, PMC, regardless of the applicability stated in Section 17-4-7(b)(2).
 - (2) Compliance with architectural requirements according to the zone district. Industrial zoned properties shall comply with Section 17-4-49. All other zoned

properties shall comply with Sections 17-4-46, 17-4-47 or 17-4-48 based on the building size. The Administrative Official has the authority to require alternative requirements for architecture, in cases where the zoning requirements are not appropriate for a particular building or structure.

- (3) Provide parking according to Section 17-4-43(b), Section 17-4-44, or Section 17-4-45, PMC. All required parking spaces shall be permanent in character and provided with a permanent driveway to a public way. The driveway and parking spaces shall be paved with asphalt, concrete, Portland cement concrete or pavers.
 - (4) Provide public improvements to bring the site and adjacent rights-of-way into compliance with applicable City standards, including but not limited to repairing or replacing broken sidewalks, curbs and gutters, and providing an ADA driveway “walk-around.”
 - (5) Provide drainage, detention, and water quality in compliance with Storm Drainage Design Criteria and Drainage Policies for the City of Pueblo, June 9, 1997 (City Stormwater Criteria). Provide erosion and sediment control in compliance with City Stormwater Criteria and Colorado Department of Public Health and Environment.
 - (6) Provide a maintenance plan for improvements required to be installed as part of the Conditional Use Permit.
 - (7) The Administrative Official shall have the authority to modify, or substitute additional requirements for, any of the requirements listed above when the changes to the existing building will have a negative impact on the health, safety, and welfare of the surrounding neighborhood.
 - (8) The Administrative Official has the authority to reduce the requirements listed above for facilities which only lease a portion of an existing structure.
- (f) Each licensed location is permitted one (1) “64” sign, up to ten (10) square feet.
- (g) Existing windows may be screened from the interior of the building, but shall not be removed or covered from the exterior.

903.3 Retail marijuana testing facilities.

- (a) The facility shall not be located within one thousand (1,000) feet of a legally

operational school, which holds classes, as determined by direct measurement from the property line of the facility to the closest property line of the school. Establishing a school within the required buffer after the Conditional Use Permit is issued shall not be grounds to suspend, revoke or decline to renew the Permit for such facility provided the Permit and license for the facility remains lawfully in effect. The Zoning Board of Appeals shall have the authority to grant a variance from the one thousand (1,000) foot school buffer only if the property line of the school, by direct measurement, is one thousand (1,000) feet from the building of the marijuana facility.

- (b) The facility shall demonstrate compliance with all ordinances, including but not limited to drainage, detention, water quality, parking, landscaping, sewer, and public improvements
- (c) Notwithstanding anything to the contrary, all facilities shall provide, at a minimum, the following improvements:
 - (1) Install landscaping according to Section 17-4-7 of Title XVII, PMC, regardless of the applicability stated in Section 17-4-7(b)(2).
 - (2) Compliance with architectural requirements according to the zone district. Industrial zoned properties shall comply with Section 17-4-49. All other zoned properties shall comply with Sections 17-4-46, 17-4-47 or 17-4-48 based on the building size. The Administrative Official has the authority to require alternative requirements for architecture, in cases where the zoning requirements are not appropriate for a particular building or structure.
 - (3) Provide parking according to Sections 17-4-43(b), Section 17-4-44, or Section 17-4-45, PMC. All required parking spaces shall be permanent in character and provided with a permanent driveway to a public way. The driveway and parking spaces shall be paved with asphalt, concrete, Portland cement concrete or pavers.
 - (4) Provide public improvements to bring the site and adjacent rights-of-way into compliance with applicable city standards, including but not limited to repairing or replacing broken sidewalks, curbs and gutters, and providing an ADA driveway “walk-around.”
 - (5) Provide drainage, detention, and water quality in compliance with Storm Drainage Design Criteria and Drainage Policies for the City of Pueblo, June 9, 1997 (City Stormwater Criteria). Provide erosion and sediment control in compliance with City Stormwater Criteria and Colorado Department of Public Health and

Environment.

- (6) Provide a maintenance plan for improvements required to be installed as part of the Conditional Use Permit.
 - (7) The Administrative Official shall have the authority to modify, or substitute additional requirements for, any of the requirements listed above when the changes to the existing building will have a negative impact on the health, safety, and welfare of the surrounding neighborhood.
 - (8) The Administrative Official has the authority to reduce the requirements listed above for facilities which only lease a portion of an existing structure.
- (d) Existing windows may be screened from the interior of the building, but shall not be removed or covered from the exterior.

903.4 Retail marijuana store facilities.

- (a) The facility shall not be located within the buffer areas of the sensitive uses listed below, as determined by direct measurement from the property line of the facility to the closest property line of the area listed.
 - (1) One thousand (1,000) feet of a legally operational school, which holds classes;
 - (2) Five hundred (500) feet of a hospital or substance abuse treatment center; and
 - (3) Three hundred (300) feet of a residential use or residential zone district.
 - (4) In the event these location restrictions do not appear reasonable when applied to a specific location, the applicant may apply to the Zoning Board of Appeals for a variance, but the variance may not reduce the separation distance requirements by more than ten percent (10%). The Zoning Board of Appeals shall have the authority to grant a variance from the one thousand (1,000) foot school buffer if the property line of the school, by direct measurement, is one thousand (1,000) feet from the building of the marijuana facility.
- (b) Notwithstanding anything to the contrary, all facilities shall provide, at a minimum, the following improvements:
 - (1) Install landscaping according to Section 17-4-7 of Title XVII, PMC, regardless of

the applicability stated in Section 17-4-7(b)(2).

- (2) Compliance with architectural requirements according to the zone district. Industrial zoned properties shall comply with Section 17-4-49. All other zoned properties shall comply with Sections 17-4-46, 17-4-47 or 17-4-48 based on the building size. The Administrative Official has the authority to require alternative requirements for architecture, in cases where the zoning requirements are not appropriate for a particular building or structure.
 - (3) Provide parking according to Section 17-4-43(b), Section 17-4-44, or Section 17-4-45. All required parking spaces shall be permanent in character and provided with a permanent driveway to a public way. The driveway and parking spaces shall be paved with asphalt, concrete, Portland cement concrete or pavers.
 - (4) Provide public improvements to bring the site and adjacent rights-of-way into compliance with applicable city standards, including but not limited to repairing or replacing broken sidewalks, curbs and gutters, and providing an ADA driveway “walk-around.”
 - (5) Provide drainage, detention, and water quality in compliance with Storm Drainage Design Criteria and Drainage Policies for the City of Pueblo, June 9, 1997 (City Stormwater Criteria). Provide erosion and sediment control in compliance with City Stormwater Criteria and Colorado Department of Public Health and Environment.
 - (6) Provide a maintenance plan for improvements required to be installed as part of the Conditional Use Permit.
 - (7) The Administrative Official shall have the authority to modify, or substitute additional requirements for, any of the requirements listed above when the changes to the existing building will have a negative impact on the health, safety, and welfare of the surrounding neighborhood.
 - (8) The Administrative Official has the authority to reduce the requirements listed above for facilities which only lease a portion of an existing structure.
- (c) Each licensed location is permitted one (1) “64” sign, up to ten (10) square feet.
- (d) Existing windows may be screened from the interior of the building, but shall not be removed or covered from the exterior.

- (e) It shall be unlawful for any retail marijuana store to remain open to the public at any time other than between the hours of 8:00 a.m. and 10:00 p.m. daily.

Rule 904: Buffering Requirements.

Prior to issuing a Conditional Use Permit, the Administrative Official will confirm that the address or property boundaries of the proposed licensed premises, meets the buffering requirements listed in Rule 903 above.

- 904.1 The buffer requirements are determined by direct measurement from the property line of the facility to the closest property line of the sensitive use. Establishing a sensitive use within the required buffer after the Conditional Use Permit is issued shall not be grounds to suspend, revoke or decline to renew the Permit for such facility provided the Permit and license for the facility remains lawfully in effect.
- 904.2 Daycare facilities are not considered sensitive uses and the one thousand (1,000) foot minimum distance does not apply.
- 904.3 The Administrative Official will only verify distance of the proposed licensed premises from existing sensitive uses. Once the retail marijuana store license is issued, the city will not preclude a school, hospital, or substance abuse treatment center from opening at a location within the applicable buffer zones.
- 904.4 A retail marijuana facility may continue to operate in its present location as a preexisting use if a sensitive use later locates within the applicable buffer zone; however, the licensee does so at its own risk, and the issued license provides no protection or indemnification against enforcement of federal or other applicable laws prohibiting operation of a retail marijuana facility near a school, hospital, or substance abuse treatment center.
- 904.5 The Zoning Board of Appeals shall have the authority to grant the following variance in accordance with Section 17-5-34 of the Pueblo Municipal Code:
- (a) Retail marijuana store facilities – a variance to the buffer requirements in Rule 903 may be granted by the Zoning Board of Appeals by no more than ten percent (10%) of the required buffer. The Zoning Board of Appeals shall have the authority to grant a variance from the one thousand (1,000) foot school buffer if the property line of the school, by direct measurement, is one thousand (1,000) feet from the building of the marijuana facility.

- (b) Retail marijuana grow facilities, product manufacturing facilities and testing facilities – a variance to the school buffer requirement in Rule 903 may be granted by the Zoning Board of Appeals, only if the property line of the school, by direct measurement, is one thousand (1,000) feet from the building of the marijuana facility.

Rule 905: Fixed Location Required.

It shall be unlawful to operate any retail marijuana establishment, including the cultivation of retail marijuana, outside of an enclosed space within a building that can be locked.

Rule 906: Prohibited Uses.

The following activities are prohibited anywhere within the city:

- (a) Storage of marijuana or marijuana-related products off the site of the licensed premises;
- (b) Marijuana membership clubs;
- (c) Vapor lounges; and
- (d) Outdoor cultivation, preparation, or packaging of marijuana or marijuana products.

Rule 1000 Series: Inspections

Rule 1001: Inspection.

- 1001.1 Grant of Authorization. By signing and submitting a license application, the owner of the premises certifies that the applicant has received permission from the property owner to allow inspections as may be required under state or local licensing law. In addition, the owner of the premises authorizes the Authority, its designee, and the city's building official or the official's designee, to enter upon and inspect the premises upon presentation of official credentials. These inspections are part of the routine policy of inspection and enforcement of these regulations for the purpose of protecting the public safety, individuals operating and using the services of the retail marijuana establishment, and the adjoining properties and neighborhood. This rule shall not limit any inspection authority authorized under any other provision of law or regulation, including those of police, fire, building and code enforcement officials.
- 1001.2 Every licensed premises and adjacent grounds shall be open to inspection by police officers, building officials, firefighters, zoning officials, code enforcement officials, sales, use and excise tax officials and health department officials at any time that anyone is present in the licensed premises, without obtaining a search warrant, and without reasonable suspicion to believe that any violation or criminal offense has occurred.
- 1001.3 The licensee, principals, registered managers and employees shall have no reasonable expectation of privacy as to the buildings, rooms, areas, vehicles, furniture, safes, lockers or containers on the licensed premises and adjacent grounds, except as provided in Rule 1001.4.
- 1001.4 Licensees, principals, registered managers and employees on the licensed premises and adjacent grounds shall retain a reasonable expectation of privacy with regard to their persons, the personal effects in their immediate possession, and their own motor vehicles on the licensed premises and adjacent grounds, to the extent provided by other legal authority, but shall have no reasonable expectation of privacy as to other areas, vehicles, safes, lockers, containers or objects on the licensed premises or adjacent grounds.
- 1001.5 Initial Inspection. The Authority or the Authority's designees will inspect all retail marijuana establishments prior to issuance of a license, to verify that the facilities are constructed and can be operated in accordance with the application submitted and the requirements of these regulations and the ordinances. The initial inspection shall occur after the retail marijuana establishment is ready for operation, but no marijuana or marijuana

products will be allowed on the premises until the inspection is complete and a license is issued.

- 1001.6 Regular Inspections. At a minimum, the Authority or the Authority's designees shall perform regular inspections on a yearly basis prior to license renewal.
- 1001.7 Random Inspections. The regular licensing inspection procedures described shall not prevent the Authority from inspecting retail marijuana establishments at random intervals and without advance notice.
- 1001.8 Building Plans. A copy of the building plans must be retained on the licensed premises at all times. The licensee must also maintain a floor plan, including depictions of limited access areas and security camera placement.
- 1001.9 Food Production Inspections. Any food related portion of a retail marijuana product manufacturing facility must be inspected by a third party contracted by the city. The licensee is responsible for any related inspection costs.

Rule 1002: Business Records.

- 1002.1 Inspection of Records.
 - (a) Any law enforcement officer may, without a warrant and without reasonable suspicion, inspect the books and records described in Rule 808.1, at any time that anyone is present inside the licensed premises. Upon request, the licensee or business manager on duty shall retrieve and provide any relevant business records pertaining to the inspection, including but not limited to, security camera recordings, marijuana inventory manifests, and copies of invoices and receipts. The city may require any licensee to furnish such information as it considers necessary for the proper administration of these regulations.
 - (b) Upon five (5) days written notice, the licensee shall provide its books and records for inspection and auditing by the city.

Rule 1003: Requests for Information.

- 1003.1 The Authority and any city employee enforcing any city ordinance, State law or regulation may submit a written request for information relevant to such enforcement to the licensee

by first class mail, at the address of the licensed premises.

- 1003.2 The licensee shall provide complete written answers to such questions, signed by the registered manager, within twenty (20) days of the date that the request was mailed or hand delivered to the licensee or registered manager.
- 1003.3 The licensee, principals, registered manager and employees shall have no expectation of privacy in any information or document pertaining to the operation of the licensed business, licensed premises and adjacent grounds as to the State or city, but the city shall not release the information and records as public records.
- 1003.4 In the event that the licensee refuses to provide answers on the grounds that the answer may tend to incriminate him or her for some criminal offense, or on advice of legal counsel, the city and Authority may draw the inference that the answer to the question would have been adverse to the licensee's position regarding the investigation or other matter then pending, and may afford the inference whatever weight it deems appropriate, and institute a complaint and proceedings for sanctions based on such inference.
- 1003.5 The licensee may not refuse to answer a question submitted to it on the grounds that:
- (a) The answer may incriminate its principals, financiers, registered manager or employees;
 - (b) The answer might place his or her license in jeopardy; or
 - (c) The question is not relevant.

Rule 1100 Series: Violations and Penalties

Rule 1101: General.

- 1101.1 Administrative actions to impose sanctions against a licensee may be initiated only by complaint filed by the city or by the Authority on its own motion.
- 1101.2 The Authority shall review the complaint administratively and determine whether the complaint and any documents or exhibits submitted therewith show probable cause to believe that grounds for sanctions exist. If the Authority finds that the complaint along with any documents or exhibits submitted therewith do not show probable cause to believe that a violation of these rules and regulations, State law or State regulations has occurred, the Authority shall dismiss the complaint without prejudice to refile the complaint with additional information showing probable cause. If the Authority finds that the complaint along with the documents or exhibits submitted therewith show probable cause to believe that a violation of these rules and regulations, State law or State regulations has occurred, the Authority shall issue an order to show cause to the licensee requiring the licensee to appear before the Authority on a specific date and at a specific time to answer the complaint.
- 1101.3 Sanctions may be imposed in a hearing for sanctions, renewal, denial or for approval of major changes, but the city or Authority shall place the licensee on notice that sanctions may be sought and the grounds for the same by filing a complaint and obtaining an order to show cause from the Authority.
- 1101.4 The Authority may impose sanctions against a licensee based on any of the grounds stated in Rule 1102.
- 1101.5 In the event that a license expires while proceedings for sanctions are pending, the license may be temporarily extended until the Authority's final decision. The licensee shall pay a license extension fee for each thirty (30) day period or portion thereof that the license is temporarily extended. If the fee is not paid, the license shall expire. After the Authority renders its final decision, and said decision does not revoke or suspend the license, the licensee shall submit an application for renewal within fifteen (15) days of the Authority's final decision.
- 1101.6 A licensee shall have no right to surrender its license while an investigation, complaint or proceeding for sanctions is pending, but the Authority may permit the same if the city consents to the surrender.

1101.7 No complaint or action for the sanctions provided in these rules and regulations shall be instituted or based upon any conduct or omission by a licensee, principal, registered manager or employee that occurred more than three (3) years before the complaint for sanctions was filed, but such conduct or omissions may be admitted in evidence if relevant to other violations that have occurred within the three (3) year limitation period.

Rule 1102: Sanctions.

1102.1 The Authority may impose any one or more of the following sanctions against a license, in whatever combination the Authority finds appropriate:

- (a) Additional conditions as described in Rule 601.4;
- (b) A fine in a reasonable amount to be determined by the Authority;
- (c) Suspension for up to one hundred eighty (180) days;
- (d) Fine in lieu of suspension;
- (e) The reasonable costs of investigating, prosecuting, and hearing the violation, including the direct and indirect costs of the City Attorney, police officers, witnesses, subpoenas, Clerk to the Authority, hearing officer and other City employees utilized in any proceedings for sanctions; and/or
- (f) Revocation.

1102.2 The Authority may suspend any sanction or portion of a sanction on any reasonable condition that the Authority deems appropriate in its discretion.

1102.3 In determining the appropriate sanction and whether any sanction or portion of a sanction should be suspended, the Authority shall consider the following factors:

- (a) The severity of the violation;
- (b) Whether the violation was committed deliberately, willfully, intentionally, knowingly, recklessly, wantonly, negligently or accidentally;
- (c) Whether the licensee profited or gained some competitive advantage from the violation or attempted to do so;

- (d) Potential and actual harm to persons or businesses and the reputation of the retail marijuana industry;
 - (e) Harm to public health, safety and welfare;
 - (f) Warnings given to the licensee, principals, registered manager or employees by the Authority or any State or city employee before the violation occurred;
 - (g) The deterrent effect of the sanction on the licensee and other licensees;
 - (h) Whether the violation was committed or permitted by a principal, registered manager or employee;
 - (i) Previous violations by the licensee, principals, registered manager or employees of the same or different nature and at the same or different licensed premises, including contempt;
 - (j) Previous sanctions imposed on the licensee, including sanctions for contempt;
 - (k) Steps taken by the licensee before the violation occurred to prevent the violation from occurring;
 - (l) Whether the violation occurred on the licensee's licensed premises or its adjacent grounds, or the licensed premises or adjacent grounds of another licensee;
 - (m) Any plans that the licensee may present showing how it intends to remedy the problem and prevent the same and similar violations in the future; and
 - (n) Any other aggravating or mitigating factors, except those that the Authority may not consider.
- 1102.4 In determining the appropriate sanction, the Authority shall not consider the following factors:
- (a) Gender, race, ethnicity, ancestry, religion or sexual orientation;
 - (b) The licensee's business income at the licensed premises;
 - (c) The probable effect of the sanction on the licensee's finances;

- (d) Any criminal sanction imposed on any person as a result of the same or related conduct;
- (e) Any administrative penalty imposed by the State as a result of the same or related conduct; or
- (f) Any civil judgment imposed as a result of the same or related conduct.

1102.5 The administrative sanctions provided in Rule 1102 are intended to be in addition to any administrative, civil or criminal penalty, or judgment imposed by any court or other licensing authority.

Rule 1103: Summary Suspension.

1103.1 The Authority may summarily suspend any license without notice or hearing if the Authority finds, administratively, that there is probable cause to believe that:

- (a) The licensee or its principals, registered manager or employees have committed a willful or deliberate violation of these rules and regulations; and
- (b) The continued operation of the retail marijuana license poses an immediate and substantial threat to public health, safety and welfare, such that waiting the time required to hold a regular disciplinary hearing would probably result in substantial harm to public health, safety and welfare.

1103.2 If the Authority imposes a summary suspension administratively, it shall notify the licensee in writing as soon as is practical that it has been summarily suspended, that it must close its licensed premises, and the date, time and place of the three (3) day hearing to follow.

1103.3 The Authority shall hold a hearing within three (3) business days, at which the licensee may be present, to determine whether the summary suspension should continue pending a full hearing on the alleged violation.

1103.4 The Authority shall set a full hearing on the sanctions to be imposed for the violation that led to summary suspension to be held within fifteen (15) days from the date the licensee was first informed of the summary suspension and required to close the licensed premises, unless the Authority finds at the three (3) day hearing or upon the City's motion that there no longer is probable cause to believe that a violation occurred.

- 1103.5 The licensee may waive the fifteen (15) day hearing requirement and request a later hearing, but such waiver shall operate as consent to continue the summary suspension until the later date.

Rule 1104: Imputing Knowledge and Violations to the Licensee.

- 1104.1 Any fact that a licensee's principal, registered manager or employee knows or once had knowledge of, or in the exercise of reasonable diligence should know, or should have once known, shall be imputed to the licensee for purposes finding whether a violation occurred and imposing sanctions.
- 1104.2 Any fact that occurs in the licensed premises or adjacent grounds that a reasonable person observing the area would be aware of shall be imputed to the licensee for purposes of determining whether a violation occurred and imposing sanctions.
- 1104.3 Any violation of law committed by a licensee's principal, registered manager or employee, or which any of the same permit on the licensed premises or adjacent grounds, shall be imputed to the licensee for purposes of determining whether a violation occurred and imposing sanctions. Knowledge of the applicable state law, state regulations, city ordinances and these rules and regulations shall be imputed to the licensee.

Rule 1105: Effect of Sanctions.

- 1105.1 New conditions. A licensee who has new conditions imposed on the license as a sanction shall bring the licensed premises into compliance with the new condition within such period as the Authority may specify in its order. Failure to do so may be grounds for further sanctions.
- 1105.2 Fine, fine in lieu of suspension and costs. A licensee who has a fine, a fine in lieu of suspension or costs imposed on the license shall:
- (a) Pay the fine and costs imposed within the time specified in the Authority's order. In the event that the fine is not paid within the time specified in the Authority's order, the Authority may impose alternative or additional sanctions for failure to pay the fine or costs in a timely manner.
 - (b) Post signs at least thirty six (36) inches by thirty six (36) inches on every entrance to

the licensed premises with letters at least one (1) inch in height for a period of ten (10) continuous days which shall be specified in the Authority's order, stating:

THE RETAIL MARIJUANA LICENSE FOR THESE PREMISES HAS BEEN FINED AND ADJUDGED COSTS BY THE PUEBLO RETAIL MARIJUANA LICENSING AUTHORITY IN THE AMOUNT OF \$_____ FOR VIOLATING THE FOLLOWING PROVISIONS OF THE PUEBLO MUNICIPAL CODE RELATING TO RETAIL MARIJUANA: (STATE NATURE OF VIOLATION AND SECTION VIOLATED)

1105.3 Suspension of license. A licensee whose license has been suspended shall:

- (a) Close the licensed premises to all persons except the registered manager and employees during the term of the suspension.
- (b) Post signs at least thirty six (36) inches by thirty six (36) inches on every entrance to the licensed premises with letters at least one (1) inch in height during the period that the suspension is imposed, stating:

THE RETAIL MARIJUANA LICENSE FOR THESE PREMISES HAS BEEN SUSPENDED BY ORDER OF THE PUEBLO RETAIL MARIJUANA LICENSING AUTHORITY FOR ___ DAYS FROM _____ THROUGH _____ FOR VIOLATING THE FOLLOWING PROVISIONS OF THE PUEBLO MUNICIPAL CODE RELATING TO RETAIL MARIJUANA: (STATE NATURE OF VIOLATION AND SECTION VIOLATED)

1105.4 Revocation of license. A licensee whose license is revoked shall:

- (a) Close the licensed premises and dispose of all retail marijuana on the licensed premises through legal means within such time and by such means as the Authority may order.
- (b) Not be eligible to apply for a new license for a period of two (2) years.

Rule 1106: Basis for Suspension, Revocation, or Denial.

1106.1 The Authority may deny a new application, deny renewal of a license or impose sanctions on a retail marijuana license previously approved or issued if the Authority finds, by a preponderance of the evidence at a hearing, or upon the admission or stipulation of the applicant or licensee, that any of the following have occurred:

- (a) The licensee, principals, registered manager, employees, the licensed premises or the adjacent grounds do not meet or no longer meet one (1) or more of the requirements of Rule 202.10, these Rules and Regulations, or any other provision of Pueblo Municipal Code, State law or State regulations;
- (b) The licensee has failed to obtain any State license, certification, registration or approval, or meet any other requirement imposed by State law or regulations;
- (c) The licensee, principals, registered manager or employees have committed or attempted to commit any violation of any city ordinance, State statute or State regulation or have permitted others to violate the same on the licensed premises or adjacent grounds or on other licensed premises or adjacent grounds;
- (d) The licensed premises have been operated in a way that substantially deviates from the operational plan approved by the Authority;
- (e) The licensed premises or adjacent grounds will have, or have a had a harmful or damaging impact on the public health, safety, or the general welfare of the City or the neighborhood where the retail marijuana establishment is located;
- (f) A check, credit card, debit card or other payment for any tax, fee, fine, fine in lieu or other sum due to the city from the licensee has been stopped or rejected for insufficient funds, closed account or similar reasons;
- (g) Any tax, fee, fine, fine in lieu of suspension or other sum due to the city from the licensee is unpaid and more than thirty (30) days in default;
- (h) The licensed premises have not been operated for more than one (1) year;
- (i) The licensee has failed to pay the city all required fees, fines, taxes, and penalties, or is overdue on his or her payment to the city of fees, fines, taxes, or penalties assessed against or imposed upon such licensee in relation to the licensed premises;
- (j) 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;
- (k) The licensee has failed to file any reports or furnish any information as required by the provisions of these rules and regulations and the Pueblo Municipal Code relating to the operation of a retail marijuana establishment;

- (l) The licensee has refused to allow an inspection of the licensed premises as authorized by these rules and regulations and the Pueblo Municipal Code;
- (m) The licensee has failed to appear upon a municipal court summons for a violation of the Pueblo Municipal Code; or
- (n) The licensee has failed to comply with these Rules and Regulations.

Rule 1107: Prohibited Activity During Suspension.

During the term of any license suspension, whether summary in nature or following a hearing, a retail marijuana establishment may not conduct any operations on the licensed premises except as described below.

- 1107.1 Retail Store Licensee. Unless otherwise ordered, during any period of active license suspension the licensee shall not engage in the selling, serving, giving away, distribution, transfer, or transport of any product – including retail marijuana, retail marijuana product, or paraphernalia and accessories – on the licensed premises, nor allow customers to enter the licensed premises.
- 1107.2 Retail Cultivation Facility Licensee. Unless otherwise ordered, during any period of active license suspension the licensee shall not sell, distribute, transfer, transport, or otherwise remove any retail marijuana or retail marijuana product from the licensed premises. However, the licensee may maintain inventory and otherwise care for its retail marijuana product and plant inventories during the period of suspension.
- 1107.3 Retail Product Manufacturing Facility Licensee. Unless otherwise ordered, during any period of active license suspension the licensee shall not manufacture any retail marijuana product or concentrates, nor permit the selling, distribution, transfer, or transport of retail marijuana or retail marijuana product on or from the licensed premises.
- 1107.4 Retail Testing Facility Licensee. Unless otherwise ordered, during any period of active license suspension the licensee shall not receive any marijuana for testing, perform any testing on marijuana, or otherwise transfer or transport any retail marijuana or retail marijuana product on or from the licensed premises.
- 1107.5 Removal or Destruction Prohibited. During any period of active license suspension, retail marijuana and retail marijuana product shall not be removed from the licensed premises or

destroyed except under the supervision of the Pueblo Police Department as ordered by the Authority.

Rule 1108: Unlawful Acts – Any Person.

1108.1 It shall be unlawful for any person to:

- (a) Make any false statement, written or verbal, to the Authority or to any city employee, in any investigation, inquiry, hearing, testimony, application, report or document related in any way to retail marijuana or the licensing thereof; and
- (b) Smoke or consume any marijuana, marijuana plant or marijuana product on a licensed premises or the adjacent grounds.

Rule 1109: Unlawful Acts – Licensees, Principals, Registered Managers and Employees.

1109.1 It shall be unlawful for any licensee, principal, registered manager or employee of a licensee to commit any of the following acts:

- (a) To violate, fail, neglect or refuse to comply with any requirement of these rules and regulations; Chapter 11; Title XI of the Pueblo Municipal Code; Chapter 1, Title IX of the Pueblo Municipal Code; Article 10, Title 44, C.R.S.; or any State regulation pertaining to retail marijuana.
- (b) To permit any violation of these rules and regulations or any law or regulation on the licensed premises or the adjacent grounds.
- (c) To operate a retail marijuana establishment at any time that any of the requirements or conditions contained in Rule 202.10 and these rules and regulations, are not satisfied.
- (d) To fail, neglect or refuse to collect sales taxes on any transaction or to promptly pay any sales and use tax, excise tax, fee or charge required under these rules and regulations or under the Pueblo Municipal Code.
- (e) To fail, neglect or refuse to promptly provide any books, records, reports, information, documents or answers to requests for information required under these rules and regulations.

- (f) To refuse to provide signed answers to requests for information, except as provided in these rules and regulations, or to refuse to answer any request for information on any grounds prohibited under these rules and regulations.
- (g) To violate any ordinance, statute or regulation on the licensed premises or on the adjacent grounds.
- (h) To violate any condition or to permit the violation of any condition placed on a license issued under these rules and regulations or by the State.
- (i) To permit anyone under the age of twenty one (21) to be present on the licensed premises.
- (j) To permit anyone who is not an employee to enter the limited access area.
- (k) To permit any employee to enter the limited access area without a visible employee badge.
- (l) To conduct any cultivation, manufacturing, testing, processing, packaging, display, sale or exchange of marijuana plants, harvested marijuana or marijuana products outside the licensed premises.
- (m) To transport any quantity of marijuana or marijuana products without carrying with the marijuana or marijuana products, a written manifest showing the following information, or to refuse to provide to any law enforcement officer upon demand a written manifest showing the following information:
 - (1) The type or name of marijuana or marijuana products, and the weight or volume of each carried;
 - (2) A description of the make, model and VIN number of the vehicle carrying the marijuana or marijuana products;
 - (3) The name and address of the driver of the vehicle;
 - (4) The name and address of the licensed retail marijuana establishment from which the retail marijuana originated;

- (5) The name and address of the licensed marijuana establishment to which the marijuana or marijuana products is being delivered; and
- (6) The date and time that the marijuana or marijuana products departed the licensed marijuana establishment where the marijuana originated.
- (n) To allow anyone who does not possess a current and valid Owner and Occupational License to transport retail marijuana or retail marijuana product between licensed premises.
- (o) To transfer, distribute, sell, give away, or dispose of any marijuana or any marijuana product by any other means than a face-to-face transaction within the licensed premises. Transfer, distribution, sale, gift, or disposition of marijuana or marijuana via the internet or any on-line service is prohibited and unlawful.
- (p) To display, transfer, distribute, serve, sell, give away, or dispose of any marijuana or marijuana product in any public place other than the licensed premises.
- (q) For any licensee or any manger, employee, or agent of such licensee to fail to immediately report to the Pueblo Police Department any disturbance, unlawful or disorderly conduct, or criminal activity occurring at the location, on the premises, or within the licensed premises set forth on the license.

Rule 1110: Penalties.

Any person who violates any provision of these rules and regulations or fails, neglects or refuses to perform any act required under these rules and regulations shall, upon conviction thereof, be guilty of a Class 1 municipal offense and shall be punished by a fine of not more than one thousand dollars (\$1,000.00) or imprisonment for not more than one (1) year, or both such fine and imprisonment.