

**STAFF SUMMARY
OCTOBER 2ND, 2019 PLANNING AND ZONING COMMISSION
REGULAR MEETING**

DATE: September 25, 2019

AGENDA ITEM NUMBER: 5

ACTION TO BE CONSIDERED: Consideration of Resolution No. 20-19, Series of 2019:
**A RESOLUTION RECOMMENDING THE APPROVAL OF AN
AMENDMENT TO CHAPTER 16 OF THE DILLON MUNICIPAL CODE
TO PERMIT MEDICAL MARIJUANA CENTERS IN THE COMMERCIAL
(C) AND MIXED USE (MU) ZONE DISTRICTS.**

TOPIC: Minor amendment to Chapter 16 “Zoning” to add Medical Marijuana as a permitted use in the Commercial (C) and Mixed Use (MU) zones.

BACKGROUND/TIME FRAME:

- March 17, 2017: Town Council approved Ordinance 04-17, Series of 2017 emending Chapter 6 repealing and replacing Article VII of that chapter and amending Sections 6-8-60, Section 1-4-40, and Appendix 19-A of Chapter 19 of the Dillon Municipal Code.

EXECUTIVE SUMMARY:

This amendment to Chapter 16 “Zoning” provides for Medical Marijuana as a permitted use in the Commercial (C) and Mixed Use (MU) zone districts, Sections 16-3-160 and 16-3-170, respectively. When the Ordinance to add Medical Marijuana as a permitted business was adopted in 2017, an amendment to the permitted uses in the zoning chapter was overlooked. This amendment provides for the zoning code to permit the business as permitted in the Business License chapter of the Code.

A copy of the resolution for the Planning and Zoning Commission recommending the Town Council approve the amendment and the Ordinance for the Town Council approval of this amendment are attached to this staff summary for review. A copy of Ordinance 04-17, Series of 2017 as adopted is also attached.

BUDGET IMPACT: None

MOTION FOR APPROVAL:

I make a motion to approve Resolution 20-19, Series of 2019.

**ACTION REQUESTED:
MOTION, SECOND, ROLL-CALL VOTE**

Resolutions require affirmative votes from majority of the members present

DEPARTMENT HEAD RESPONSIBLE:

Scott O'Brien, Public Works Director

RESOLUTION NO. PZ 20-19
Series of 2019

A RESOLUTION RECOMMENDING THE APPROVAL OF AN AMENDMENT TO CHAPTER 16 OF THE DILLON MUNICIPAL CODE TO PERMIT MEDICAL MARIJUANA CENTERS IN THE COMMERCIAL (C) AND MIXED USE (MU) ZONE DISTRICTS.

WHEREAS, the Planning and Zoning Commission of the Town of Dillon (“Planning Commission”) desires to recommend to the Town Council of the Town of Dillon (the “Town Council”) an amendment to Chapter 16 of the Dillon Municipal Code (the “Code”) to add medical marijuana centers to the list of permitted uses in the Commercial (C) and Mixed Use (MU) zone districts, consistent with Chapter 6, Article VII of the Code; and

WHEREAS, there has been prepared a draft ordinance setting forth such amendment; and

WHEREAS, pursuant to Section 16-1-60 of the Code, the Planning Commission has reviewed the draft ordinance and held a duly-noticed public hearing on the amendment set forth therein, at which hearing evidence and testimony were entered into the record; and

WHEREAS, based on the advice of Town Staff and the documents made part of the record of the public hearing, the Planning Commission recommends the Town Council adopt the ordinance setting forth the amendment.

NOW, THEREFORE, BE IT RESOLVED BY THE PLANNING AND ZONING COMMISSION OF THE TOWN OF DILLON, COLORADO, AS FOLLOWS:

Section 1. Pursuant to Section 16-1-60 of the Dillon Municipal Code, the Planning Commission hereby recommends that the Town Council adopt the proposed ordinance amending Chapter 16 of the Dillon Municipal Code.

APPROVED AND ADOPTED THIS 2ND DAY OF OCTOBER, 2019, BY THE PLANNING AND ZONING COMMISSION OF THE TOWN OF DILLON, COLORADO.

**PLANNING AND ZONING COMMISSION
TOWN OF DILLON**

By: _____
Teresa England, Chairperson

ATTEST:

Michelle Haynes, Secretary to the Commission

ORDINANCE NO. ____-19
Series of 2019

AN ORDINANCE AMENDING CHAPTER 16 OF THE DILLON MUNICIPAL CODE TO PERMIT MEDICAL MARIJUANA CENTERS IN COMMERCIAL (C) AND THE MIXED USE (MU) ZONE DISTRICTS.

WHEREAS, the Town Council of the Town of Dillon (the “Town Council”) desires to add medical marijuana centers to the list of permitted uses in the Commercial (C) and Mixed Use (MU) and zone districts, consistent with Chapter 6, Article VII of the Dillon Municipal Code (the “Code”); and

WHEREAS, pursuant to Section 16-1-60 of the Code, the Dillon Planning and Zoning Commission (“Planning Commission”) has held a duly-noticed public hearing on such amendment, at which hearing evidence and testimony were entered into the record, and the Planning Commission has forwarded to the Town Council its recommendation that such amendment be adopted; and

WHEREAS, the Town Council has held a duly-noticed public hearing on such amendment, at which hearing evidence and testimony were entered into the record, and finds the amendment should be adopted and the zoning code updated accordingly; and

WHEREAS, the Town Council deems the amendment of the Code to be in the best interests of the Town of Dillon and to be necessary to protect the health, safety and welfare of the citizens of the Town.

NOW, THEREFORE, BE IT ORDAINED, BY THE TOWN COUNCIL OF THE TOWN OF DILLON, COLORADO, AS FOLLOWS:

Section 2. Subsection (2) of Section 16-3-160 of the Dillon Municipal Code, titled “Commercial (C) Zone”, is hereby amended to read as follows (words added are underlined; words deleted are ~~stricken through~~):

(2) *Permitted uses.* The following uses and their accessory uses are permitted and may be allowed by the Town when in conformance with the provisions of this Chapter.

- a. Automobile services.
- b. Medical or dental clinic.
- c. Entertainment.
- d. Personal services.
- e. Offices.

- f. Restaurants.
- g. Retail stores.
- h. Hotels, motels, inns or other similar uses at a density established in the RH zoning district.
- i. Accessory uses to any permitted use in the C zone, including but not limited to decks; patios; outdoor seating; outdoor food and beverage service; outdoor entertainment; playgrounds; temporary structures; off-street parking or loading; drive-in windows; storage and display of nursery plants, shrubs or trees; and displays of new or used automobiles, trailers, trucks, boats or other mobile equipment.
- j. Retail marijuana stores in accordance with Chapter 6 of this Code.
- k. Medical marijuana centers in accordance with Chapter 6 of this Code.

Section 2. Subsection (2) of Section 16-3-170 of the Dillon Municipal Code, titled “Mixed Use (MU) Zone”, is hereby amended to read as follows (words added are underlined; words deleted are ~~stricken through~~):

(2) *Permitted uses.* In the MU zone, the following uses and their accessory uses are permitted, and may be allowed by the Town when in conformance with the provisions of this Code and approved utilizing the processes outlined in this Code:

- a. Retail stores.
- b. Offices.
- c. Multi-family residential units in mixed-use developments when in compliance with the provisions of Subsection (5) below.
- d. Child care facilities.
- e. Medical or dental offices or clinics.
- f. Entertainment facilities.
- g. Hotels, motels or inns.
- h. Personal services.
- i. Restaurants.

j. Retail marijuana stores in accordance with Chapter 6 of this Code.

k. Medical marijuana centers in accordance with Chapter 6 of this Code.

Section 3. Severance Clause. If an article, section, paragraph, sentence, clause or phrase of this Ordinance is held to be unconstitutional or invalid for any reason, such decision shall not affect the validity or constitutionality of the remaining portions of this Ordinance. The Town Council hereby declares that it would have passed this Ordinance and each part or parts thereof, irrespective of the fact that any one part or parts may be declared invalid or unconstitutional.

Section 4. Effective Date. This Ordinance shall take effect five days after publication following final passage.

INTRODUCED, READ AND ORDERED PUBLISHED BY TITLE ONLY THIS ____ DAY OF _____, 2019.

PASSED, ADOPTED AND APPROVED AND ORDERED PUBLISHED BY TITLE ONLY THIS ____ DAY OF _____, 2019.

TOWN OF DILLON,
a Colorado municipal corporation

By: _____
Carolyn Skowyra, Mayor

ATTEST:

Adrienne Stuckey, Town Clerk

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ORDINANCE NO. 04 - 17
Series of 2017

AN ORDINANCE AMENDING CHAPTER 6 OF THE DILLON MUNICIPAL CODE BY REPEALING AND RE-ENACTING ARTICLE VII, TO ALLOW MEDICAL MARIJUANA CENTERS TO BE LICENSED UNDER CERTAIN CIRCUMSTANCES IN THE TOWN OF DILLON; AMENDING SECTIONS 1-4-40, 6-8-60 AND APPENDIX 19-A OF THE DILLON MUNICIPAL CODE TO BE CONSISTENT THEREWITH

WHEREAS, the Town Council of the Town of Dillon, Colorado, wishes to amend Chapter 6 of the Dillon Municipal Code by repealing and re-enacting Article VII, entitled "Medical Marijuana";

WHEREAS, the Town Council of the Town of Dillon, Colorado also wishes to amend Section 6-8-60 of Article VIII of Chapter 6 of the Dillon Municipal Code to permit medical marijuana centers in the Town, to amend Section 1-4-40, and to amend Appendix 19-A of Chapter 19 to enact new fees related to medical marijuana licenses; and

WHEREAS, the Town Council has determined that it is in the best interest of the citizens of the Town to amend the Dillon Municipal Code as set forth herein below.

NOW, THEREFORE, BE IT ORDAINED, BY THE TOWN COUNCIL OF THE TOWN OF DILLON, COLORADO, AS FOLLOWS:

Section 1. Article VII of Chapter 6 of the Dillon Municipal Code is hereby repealed in its entirety and reenacted as follows:

ARTICLE VII
Medical Marijuana

Sec. 6-7-10. Purpose.

The purpose of this Article is to implement the provisions of the Colorado Medical Marijuana Code, C.R.S. § 12-43.3-101, *et seq.*, which authorizes the licensing and regulation of medical marijuana centers and affords local governments the option to determine whether to allow medical marijuana centers within their respective jurisdictions and to adopt licensing requirements that are supplemental to or more restrictive than the requirements set forth in state law.

Sec. 6-7-20. State law.

(a) The provisions of the Colorado Medical Marijuana Code and any rules and regulations promulgated thereunder, as amended, are incorporated herein by reference, except to the extent that more restrictive or additional regulations are set forth in this Article. In addition to the regulations set forth in this Article, the Town may enforce any provision of the Medical Marijuana Code and any rules and regulations promulgated thereunder applicable to licensees.

(b) To the extent the state has adopted or adopts in the future any additional or stricter law or regulation governing the sale or distribution of medical

marijuana, the additional or stricter regulation shall control the establishment or operation of a medical marijuana business in the Town. Compliance with any applicable state law or regulation shall be deemed an additional requirement for issuance or denial of any license under this Article, and noncompliance with any applicable state law or regulation shall be grounds for revocation or suspension of any license issued hereunder.

(c) A licensee may be required to demonstrate, upon demand by the Authority or by law enforcement officers that the source and quantity of any marijuana found upon the licensed premises are in full compliance with any applicable state law or regulation.

(d) If the state prohibits the sale or other distribution of marijuana through medical marijuana centers, a license issued hereunder shall be deemed immediately revoked by operation of law, with no ground for appeal or other redress on behalf of the licensee.

(e) The issuance of a license under this Article shall not be deemed to create an exception, defense or immunity to any person for any potential criminal liability the person may have for the cultivation, possession, sale, distribution or use of marijuana.

(f) Nothing in this Article shall be construed to prohibit, regulate or otherwise impair the use of medical marijuana by patients or the provision of medical marijuana by a primary caregiver to a patient in accordance with the Colorado Constitution, and consistent with C.R.S. § 25-1.5-106, and rules promulgated thereunder, as amended.

Sec. 6-7-30. Definitions.

(a) Unless otherwise defined herein or in Article VIII of this Code, the terms in this Article shall have the same meaning as set forth in § 14 of Article XVIII of the Colorado Constitution and Article 43.3 of Title 12, C.R.S., and any implementing regulations.

(b) For purposes of this Article, the following terms shall have the following meanings:

Child care center has the same meaning as in Section 15-1-50 of this Code.

Church has the same meaning as in Section 16-1-50 of this Code.

College campus means the area, grounds and buildings around a university, college or school.

Colorado Medical Marijuana Code means Article 43.3 of Title 12, C.R.S., and any rules or regulations promulgated thereunder.

Dual operation means a business that operates as both a licensed medical marijuana center and a licensed retail marijuana establishment.

Good cause means:

(1) The licensee has violated, does not meet, or has failed to comply with this Article;

(2) The licensee has failed to comply with any special terms or conditions that were placed on its license at the time the license was issued, or that were placed on its license in disciplinary proceedings; or

(3) The licensee's medical marijuana business has been operated in a manner that adversely affects the public health, welfare or safety of the immediate neighborhood in which the medical marijuana business is located. Evidence to support such a finding can include: a continuing pattern of offenses against the public peace; a continuing pattern of drug-related criminal conduct within the premises of the medical marijuana business or in the immediate area surrounding the medical marijuana business; or a continuing pattern of criminal conduct directly related to or arising from the operation of the medical marijuana business.

Halfway house means a group care facility for adults or juveniles who have been placed on probation or parole under applicable law.

Licensed premises means the premises specified in an application for a license pursuant to this Article, that are owned or in possession of the Licensee and within which the Licensee is authorized to operate a medical marijuana center as part of a dual operation business.

Licensee means a person to whom a license has been issued pursuant to this Article.

Limited access area means a building, room, or other contiguous area upon the licensed premises where medical marijuana is grown, cultivated, stored, weighed, displayed, packaged, sold, or possessed for sale, under control of the licensee, with limited access to only those persons licensed by the state licensing authority.

Medical marijuana has the same meaning as in the Colorado Medical Marijuana Code.

Medical marijuana business means a licensed Medical Marijuana Center, a Medical Marijuana-Infused Products Manufacturer, or an Optional Premises Cultivation Operation.

Medical marijuana center means a person licensed pursuant to the Colorado Medical Marijuana Code and this Article to operate a business as described in C.R.S. § 12-43.3-402 and sells medical marijuana to registered patients or primary caregivers as defined in Article XVIII, § 14 of the Colorado Constitution, but is not a primary caregiver.

Patient has the meaning set forth in Article XVIII, § 14(1)(c) of the Colorado Constitution.

Retail marijuana establishment has the same meaning as in the Colorado Retail Marijuana Code.

Retail marijuana store license means a license issued by the State Licensing Authority and the Town for the operation of a retail marijuana store in accordance with the Colorado Retail Marijuana Code and Article VIII of this Code.

School means a public or private pre-kindergarten, kindergarten, elementary, middle, junior high, high school or college.

Sec. 6-7-40. License required.

- (a) It is unlawful to establish or operate a medical marijuana business in the Town without a current license from the Authority.
- (b) The only type of medical marijuana businesses permitted and licensable in the Town are medical marijuana centers. All other types of medical marijuana businesses are expressly prohibited.
- (c) Only a person holding a valid and active Town of Dillon retail marijuana store license may obtain a license to operate a Town of Dillon medical marijuana center as part of a dual operation.

Sec. 6-7-50. Limitation on number of licenses.

- (a) The Town shall have the authority to grant and issue no more than three (3) medical marijuana licenses. At the time that three (3) medical marijuana licenses have been granted and issued by the Town pursuant to this Chapter, the Town shall not accept the submission of any application for a medical marijuana license, shall not process any application for a medical marijuana license, and shall not grant any medical marijuana license.
- (b) If a previously granted and issued medical marijuana license is revoked, not renewed or terminated, resulting in the permanent loss of that medical marijuana license and the existence of fewer than three (3) medical marijuana licenses issued in the Town, then, in that event only, the Town may, at the Town's sole discretion, accept applications for a new medical marijuana license and may grant a new medical marijuana license in order to bring the total number of granted and issued medical marijuana licenses back to a total of three (3).
- (c) The intent of this Section is to limit the total number of medical marijuana licenses granted and issued in the Town to no more than a total of three (3).

Sec. 6-7-60. Local licensing authority.

- (a) For the purpose of regulating and controlling the licensing of the sale of medical marijuana in the Town, there is hereby created a local licensing authority (the "Authority").
- (b) The Authority shall have such powers and duties as are set forth in this Article, the Colorado Medical Marijuana Code and § 14 of Article XVIII of the Colorado Constitution.
- (c) The Authority shall examine, at any time, those records of each licensee which the Authority determines are necessary to verify license requirements; provided that the contents of such records remain confidential and not a part of the public records.

(d) The Authority may adopt, amend, alter and repeal administrative rules and regulations as may be necessary for the proper administration of this Article.

Sec. 6-7-70. Persons prohibited as licensees.

No license shall be issued to, held by, or renewed by:

- (1) A person under twenty-one (21) years of age;
- (2) A person who, in the immediately preceding twelve (12) months, had a medical marijuana license or retail marijuana license revoked or suspended by the State or by a local licensing authority in any jurisdiction;
- (3) A person who has been convicted of a felony that is deemed a crime of drugs or violence or has completed any portion of a felony sentence within the preceding five (5) years; or
- (4) A person not of good moral character.

Sec. 6-7-80. Application.

(a) A person seeking to obtain a medical marijuana license from the Authority shall file an application with the Town Clerk. The Town Clerk is responsible for providing application forms to prospective applicants and for generally supervising the application process up to the point that a completed application is submitted to the Authority.

(b) At a minimum, the application shall include the following:

- (1) Proof of ownership or legal possession of the proposed licensed premises for the term of the proposed license in the applicant's name;
- (2) Consent from the landowner if the proposed premises will be leased;
- (3) Name and address of the owner or owners of the proposed medical marijuana center;
- (4) If the owner is a corporation, partnership, limited liability company, sole proprietor or other business entity, the names, social security numbers and addresses of any officer or director of the entity and of any person holding one percent (1%) or more of the issued and outstanding capital stock or other ownership interest of the entity;
- (5) An individual history record and a completed set of the applicant fingerprints of each person specified in Subparagraphs 6-7-80(a)(3), 6-7-80(a)(4) and 6-7-80(a)(7);
- (6) The applicant must provide a State of Colorado sales tax number to the Town at the time of license application;
- (7) Name and address of any manager or managers of the proposed medical marijuana center;
- (8) An operating plan for the proposed dual operation business, including the following information on pages no larger than 11" x 17":

- a. A description of the products and services to be provided.
- b. A floor plan showing all interior dimensions of the licensed premises and the layout, including all limited access areas, areas of ingress and egress and all security cameras. The floor plan shall also show the principal uses of the floor area depicted therein.
- c. A security plan indicating how the applicant intends to comply with the requirements of this Article and the Colorado Medical Marijuana Code.
- d. A ventilation plan indicating how the applicant intends to comply with the requirements of this Article and the Colorado Medical Marijuana Code.
- e. An area map, drawn to scale, indicating, within a radius of one-quarter (1/4) mile from the boundaries of the property upon which the licensed premises will be located, the proximity of the property to any use listed in Section 6-7-160.
- f. A statement of whether or not any person holding any ownership interest has:
 - 1. Been denied an application for a medical or retail marijuana license by the State in this or any other jurisdiction or had such a license suspended or revoked; and
 - 2. Been convicted of a felony or has completed any portion of a sentence due to a felony charge within the preceding five (5) years.
- g. Proof that the premises are located on an appropriately zoned lot and satisfy the setback requirements of this Article.
- h. All fees due and payable.
- i. Any additional documents or information reasonably requested by the Authority.

(c) Fees. An applicant for a new license shall pay to the Town a nonrefundable application and licensing fee when the application is filed. Thereafter, upon renewal, transfer of ownership, change of location or other action requiring Authority action, the licensee shall pay the applicable fees. The purpose of these fees is to cover the direct and indirect costs to the Town for administering the local licensing mechanism established by this Article. All fees shall be as set forth in the Schedule of Fees found in Chapter 19 of this Code.

(d) The Authority may circulate the application to the Town Planner, the Finance Director, the Police Department, the local fire protection district or any other department or agency the Authority deems necessary to determine whether the proposed facility is or will be in compliance with any and all laws, rules and regulations administered by these respective departments and agencies.

Sec. 6-7-90. Procedures.

(a) Upon receipt of a complete application for new license or for the transfer of ownership or location of an existing license, the Authority shall schedule a public hearing. The public hearing shall not be scheduled any earlier than thirty (30) days from the date the complete application is received. The Authority shall post, publish and mail public notice of the public hearing not less than ten (10) days prior to the hearing. The posting shall be in a conspicuous place on the premises for which application has been made. Publication shall be made once in a newspaper of general circulation in Summit County, Colorado. Individual notices of the hearing shall be given by first-class mail to all property owners within three hundred (300) feet of the boundaries of the property on which the proposed licensed premises is located.

(b) The Authority may, in its sole discretion, issue a medical marijuana license, with or without conditions, when, after thorough consideration of the application and from review of such other information as required by this Article or the Colorado Medical Marijuana Code, the Authority determines that the applicant complies with all of the requirements of this Article and the Colorado Medical Marijuana Code, including, without limitation, the following:

(1) The application, including any required attachments and submissions, is complete and signed by the applicant;

(2) The applicant has paid the application fee and any other fees required by this Article;

(3) The application does not contain a material falsehood or misrepresentation;

(4) The location of the medical marijuana center is proposed to be located on premises permitted by the zoning regulations and the landlord, if applicable;

(5) The criminal history of the applicant and the applicant's owners, officers and managers does not disqualify the applicant from holding a license;

(6) The applicant meets or otherwise will meet all the requirements of this Article, including a demonstration of good moral character; and

(7) The applicant is capable of meeting any conditions placed on the license by the Authority.

(c) In making a finding and determination as to the good moral character of the applicant, the Authority may incorporate any findings as to good moral character previously made by the State Licensing Authority. The Authority shall not be required to perform a criminal background check if: (i) the State Licensing Authority has performed a criminal background check on the applicant to the satisfaction of the Authority; or (ii) the Authority issues a license conditioned on the review of the criminal background check.

(d) The Authority shall deny any application that is not in compliance with this Article, the Colorado Medical Marijuana Code or any other applicable state

or local law or regulation. The Authority has authority to refuse to issue a license provided for in this Article for good cause, subject to judicial review.

(e) Upon approval or denial of an application, with or without conditions, the Authority shall promptly forward its decision to the State Licensing Authority.

Sec. 6-7-100. Inspection.

(a) After approval of an application and prior to the issuance of a license, the premises proposed to be licensed may be inspected by the Town, the Building Official and the fire protection district to determine compliance with the Town's regulations and building and technical codes.

(b) No license shall be issued if the proposed licensed premises do not comply with such codes as identified by the Town, the Building Official and fire protection district in writing.

(c) Throughout the term of the license, the Town, the Building Official and fire protection district may inspect the licensed premises to determine continuing compliance with the Town's regulations and building and technical codes. Said inspections may be unannounced inspections.

Sec. 6-7-110. Reserved.

Sec. 6-7-120. Other permits and licenses.

A license issued by the Local Licensing Authority does not eliminate the need for the licensee to obtain other required Town licenses and permits related to the operation of the licensed premises, including without limitation:

- (1) A development permit;
- (2) A Town sales tax license;
- (3) A Town business license; and
- (4) All required building permits.

Sec. 6-7-130. Sales.

(a) A medical marijuana center licensed pursuant to this Article may sell medical marijuana only to registered patients or primary caregivers.

(b) The medical marijuana offered for sale and distribution shall be labeled with a list of all chemical additives, including non-organic pesticides, herbicides and fertilizers used in cultivation and production.

(c) No medical marijuana center shall employ the use of automated dispensing machines for marijuana, marijuana-infused products or any other products sold by the business.

Sec. 6-7-140. Books and records.

(a) In addition to any other requirements of state law or this Article, each licensee shall maintain an accurate and complete record of all medical marijuana purchased, sold or dispensed by the medical marijuana center in any usable form, including:

- (1) The identity of the seller and purchaser involved in each transaction;
 - (2) The total quantity of, and amount paid for, the medical marijuana and the medical marijuana-infused product(s); and
 - (3) The date, time and location of each transaction.
- (b) A patient or primary caregiver shall provide to the licensee, and the licensee shall record, the following information:
- (1) The patient or primary caregiver's name, date of birth, and current street address, including municipality, state and zip code;
 - (2) The form of identification that was presented by the patient or primary caregiver, which may include any of the following, and the identifying number, if any, from such form: an identification card issued in accordance with C.R.S. § 42-2-302; a valid state driver's license; a military identification card, or an alien registration card; and
 - (3) A registry identification card and, in the case of a primary caregiver, the date the primary caregiver was designated by the patient for whom the medical marijuana was purchased.
- (c) Information provided to the licensee by a patient or primary caregiver need not include any information regarding the patient's physical or medical condition.
- (d) Transactions shall be kept in a numerical register in the order in which they occur.
- (e) All records shall be kept in the English language in a legible manner and preserved and made available for inspection for 3 years after the date of the transaction. Information shall be used for regulatory and law enforcement purposes only and shall not be a matter of public record.

Sec. 6-7-150. Dual operations.

- (a) Both the retail marijuana establishment and the medical marijuana center operating as a dual operation must be located on the same licensed premises and commonly owned by the licensee.
- (b) A medical marijuana center licensed pursuant to this Article as part of a dual operation must prohibit patients under the age of twenty-one (21) from being on the licensed premises. All licensees operating a dual operation shall post signage that clearly conveys that persons under the age of twenty-one (21) years may not enter. Under these circumstances, and upon approval of the State Licensing Authority, the medical marijuana center and the retail marijuana establishment may share the same entrances and exits.
- (c) Medical marijuana and retail marijuana products must be separately displayed on the same sale floor. Record-keeping for the business operations of both must enable the Marijuana Enforcement Division and the Town to clearly distinguish the inventories and business transactions of medical marijuana and retail marijuana products.

(c) Each dual operation shall maintain separate and distinct inventory tracking processes for medical marijuana and retail marijuana inventories. The inventories shall be clearly tagged or labeled so that the product can be reconciled to a particular medical marijuana center or a retail marijuana establishment.

(d) The total licensed premises for a dual operation shall not exceed 7,500 square feet.

(e) A dual operation may share raw ingredients in bulk, but retail marijuana and medical marijuana shall not be shared under any circumstances.

Sec. 6-7-160. Location.

(a) No medical marijuana center shall be located closer than three hundred (300) feet from the following uses:

- (1) A church;
- (2) Land zoned as Parks and Open Space (POS);
- (3) A residential zoning district, regardless of jurisdiction;

(4) A residential use, unless the residential use is within the Mixed Use (MU) or Commercial (C) zoning districts and is not in the same building as a dual operation business. Under no circumstances shall a medical marijuana center be located in the same building as a residential use; or

(5) Other same building exclusions. No medical marijuana center shall be in the same building as a pediatrician's office or a building having rooms for boarding.

(b) Medical marijuana center shall be located within one thousand (1,000) feet of:

- (1) A school;
- (2) A child care facility or child care center, except for a child care facility or a child care center operated as an approved home occupation in a residential zoning district;
- (3) A college campus, whether a primary campus or not;
- (4) A correctional institution, rehabilitation center or halfway house;

or

- (5) A public housing project.

(c) For purposes of this Section, the distance between a medical marijuana center and any of the restricted uses stipulated shall be measured as follows: without regard to intervening structures, objects or Town limits, from the closest property line of the structure in which the medical marijuana center is located to the nearest property line of the other use.

(d) The hours of operation of a medical marijuana center shall be limited to 8:00 a.m. to 10:00 p.m., seven (7) days a week.

(e) The following criteria shall be met when evaluating an application for a medical marijuana center:

(1) The proposed business is identified as a permitted use in this Code and is consistent with the intent and purpose of the Comprehensive Plan and applicable zoning district;

(2) The parcel is suitable for the proposed use, considering such factors as size, shape, location, topography, soils, slope stability, drainage and natural features;

(3) The proposed use will not have significant adverse impacts on the air or water quality of the community;

(4) The proposed use will not substantially limit, impair or preclude the use of surrounding properties for the uses permitted in the applicable zoning district;

(5) Adequate public utilities and services are available or will be made available to the site prior to the establishment of the use;

(6) The proposed use will not produce any noise or vibration issues that have significant adverse impacts on the community and the neighboring property owners and tenants in a multi-tenant building;

(7) The proposed use will not produce any smells, odors or noxious fumes that have significant adverse impacts on the community and the neighboring property owners and tenants in a multi-tenant building. The proposed use shall meet all applicable code requirements for ventilation and fire protection. The medical marijuana center shall have a separate ventilation, heating and air conditioning system from that of any adjoining use space. A ventilation plan shall be submitted to the Town. The smell or odor of marijuana shall not be capable of being detected by a person with a normal sense of smell from any adjoining lot, adjoining tenant space, parcel, tract of land or public right-of-way. The odor filtering method and equipment shall be approved by the Summit County Building Department and shall meet the highest industry standard for odor control;

(8) The proposed use will not produce any storage, loading or delivery activities related to the storage, loading or delivery of products for the proposed use that have significant adverse impacts on the community and the neighboring property owners and tenants in a multi-tenant building;

(f) A medical marijuana center proposed in a building not owned by the licensee shall provide written approval of such operations from the property owner. Said written approval shall provide the specific location of the permitted space, the square footage of the permitted space, the terms of the approval, any conditions of said approval, and complete contact information for the property owner, and applicant and be signed by the property owner and notarized; and

(g) A medical marijuana center shall employ security measures, money and product storage and video surveillance, including video record retention times, in accordance with state law. The interior and exterior of the business shall be

adequately illuminated to provide for clear video recording. Video recording shall be of such quality that facial features of persons entering and exiting the business can be easily observed. A safe attached to the building shall be used for the storage of products and cash when the business is not open. If the storage of products requires refrigeration, then the refrigeration unit shall be attached to the building and be locked when the business is not open. The security systems in place shall be reviewed by the Dillon Police Department, and all transaction records and video surveillance records shall be provided to the Dillon Police Department upon request. Video surveillance recordings shall be securely stored in an offsite storage facility. A security plan shall be submitted to the Town.

Sec. 6-7-170. Advertising.

(a) Neither the word "marijuana" nor any image representing any part of a marijuana plant or a device used for consuming marijuana shall be used in a business name or logo, or shall be displayed on or be visible from the exterior of a medical marijuana business. Notwithstanding the foregoing, a licensee may use the word "cannabis" in a name or logo.

(b) There shall be no display of marijuana, medical marijuana products or marijuana accessories visible from the exterior of the medical marijuana business.

Sec. 6-7-180. Term of license; renewal.

(a) A license issued pursuant to this Article shall be valid for a period of one (1) year from the date of issuance. A licensee shall renew its license annually. Renewal of the license shall be governed by the standards and procedures set forth in this Article and the Colorado Medical Marijuana Code, subject to any additional restrictions on renewal for licenses in certain locations as promulgated by the Authority.

(b) Failure of the licensee to renew and keep its state license current and valid or to make timely payment of the local licensing fee shall be grounds for revocation of any license issued pursuant to this Article.

(c) All renewals are subject to a renewal fee in the amount established by the Authority.

Sec. 6-7-190. Transfers of ownership and changes of location.

(a) Transfer of ownership.

(1) The transfer of any interest in a dual operation shall be reported to the Authority prior to the change in ownership by submitting an application on forms approved by the Authority within a minimum of seven (7) days prior to the transfer.

(2) Transfer of ownership of any license issued pursuant to this Article shall be governed by the standards and procedures set forth in the Colorado Medical Marijuana Code and the provisions in this Article.

(b) Change of location.

(1) A change of location shall be reported to the Authority prior to the change by submitting an application on forms approved by the Authority.

(2) A change of location shall be governed by the standards and procedures set forth in the Colorado Medical Marijuana Code and this Article.

Sec. 6-7-200. Disciplinary actions.

(a) Procedures for suspension or revocation of a license issued pursuant to this Article and other fines, sanctions and penalties shall be as provided in the Colorado Medical Marijuana Code.

(b) Suspension or revocation of a license issued pursuant to this Article shall cause the immediate concurrent suspension or revocation of the licensee's retail marijuana license issued pursuant to Article VIII of this Code.

Sec. 6-7-210. Violation and penalties.

(a) It is unlawful for a licensee to:

(1) Sell, give, dispense or otherwise distribute medical marijuana to anyone other than a patient, primary caregiver, licensee or medical marijuana business that is licensed in another jurisdiction in the state;

(2) Purchase or otherwise obtain medical marijuana from a source that is not properly authorized under state and local law to sell or dispense medical marijuana;

(3) Permit the sale or consumption of alcohol beverages on the licensed premises;

(4) Dispense marijuana to a person that is or appears to be under the influence of alcohol or under the influence of any controlled substance, including marijuana; or

(b) It is unlawful for any person to violate any provision of this Article. Any such violation is hereby designated a criminal offense and any person found guilty of violating any of the provisions of this Article shall, upon conviction thereof, be punished pursuant to Section 1-4-20 of this Code. Each day that a violation of any of the provisions of this Article continues to exist shall be deemed a separate and distinct violation.

(c) The conduct of any activity or business in violation of this Article is hereby declared to be a public nuisance, which may be abated pursuant to the provisions for the abatement of nuisance provided for in Chapter 7, Article I of this Code.

(d) In addition to other remedies available to the Town, the Town may commence an action to enjoin the alleged violation of any provision of this Article, or to authorize and compel the removal, termination or abatement of such violation.

Sec. 6-7-220. No Town liability.

By operating a business pursuant to a license issued by the Local Licensing Authority, a licensee releases the Town, its officers, elected officials, employees, attorneys and agents from any liability for injuries, damages or liabilities of any

kind that result from any arrest or prosecution of the licensee or the licensee's owners, operators, employees, clients or customers, for a violation of any state or federal law, rule or regulation related to medical marijuana, or from the forced closure of the licensed premises because the Colorado Medical Marijuana Code, any applicable administrative regulation or this Article are found to be invalid.

Section 2. Section 6-8-60 of the Dillon Municipal Code is hereby amended as follows:

Sec. 6-8-60. Permitted retail marijuana uses.

Retail marijuana stores may be allowed as a permitted use within the Mixed Use (MU) and Commercial (C) zoning districts if the Town finds that such a business meets all the criteria for the granting of a retail marijuana store license and it conforms to the standards in this Section. *Except as set forth in Article VII of this Chapter*, no other type of marijuana establishment shall be permitted in the Town; marijuana cultivation facilities, marijuana products manufacturing facilities, marijuana testing facilities and off-premises marijuana storage facilities are not permitted in the Town. ~~Medical marijuana centers are also not permitted in the Town.~~

Section 3. Section 1-4-40 of the Dillon Municipal Code is hereby amended as follows:

In the "Criminal Violations" box, the references to Sections 6-7-40 and 6-7-60 as Criminal Violations are hereby deleted, and a reference to Section 6-7-210, "Violation and Penalties," is hereby added. Numbering of the Sections shall be revised as necessary by this change.

* * *

Section 4. Appendix 19-A of the Dillon Municipal Code is hereby amended by the addition of a new Medical Marijuana Center Fee of \$3,000.00.

Section 5. Severability. If an article, section, paragraph, sentence, clause or phrase of this Ordinance is held to be unconstitutional or invalid for any reason, such decision shall not affect the validity or constitutionality of the remaining portions of this Ordinance. The Town Council hereby declares that it would have passed this Ordinance and each part or parts thereof, irrespective of the fact that any one part or parts may be declared invalid or unconstitutional.

Section 6. Repeal. All other ordinances, or parts of any ordinances or other Code provisions in conflict herewith are hereby repealed.


Section 7. Effective Date. This Ordinance shall take effect five days after publication following final passage.

INTRODUCED, READ AND ORDERED PUBLISHED BY TITLE ONLY THIS 21st DAY OF FEBRUARY, 2017.


PASSED, ADOPTED AND APPROVED AND ORDERED PUBLISHED BY TITLE ONLY THIS 7th DAY OF March, 2017.


TOWN OF DILLON,

a Colorado municipal corporation

By: 
Kevin Burns, Mayor

ATTEST:

By: 
Jo-Anne Tyson, CMC, Town Clerk



The seal is circular with a rope-like border. The outer ring contains the text "TOWN OF DILLON" at the top and "COLORADO" at the bottom. In the center, there is a five-pointed star above the word "SEAL".

