

ORDINANCE O-2025-

A BILL FOR AN ORDINANCE AMENDING CHAPTER 6.70 OF THE LONGMONT
MUNICIPAL CODE ON MARIJUANA STORES REGARDING HOSPITALITY LICENSES

THE COUNCIL OF THE CITY OF LONGMONT, COLORADO, ORDAINS:

Section 1

In this ordinance, ellipses indicate material not reproduced as the Council intends to leave that material in effect as it now reads.

Section 2

The Council amends section 6.70 of the Longmont Municipal Code, by adding italicized material and deleting stricken material, to read as follows:

Section 6.70.020. - Definitions

The definitions set forth in subsection 16(2) of article XVII of the state constitution, the state marijuana code, C.R.S. § 44-10-103, as amended, the regulations thereto at 1 CCR 212-3, as amended, shall apply equally to this chapter, unless the context clearly indicates otherwise. The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Applicant means any person who has submitted an application for a license to operate a retail marijuana establishment to the local licensing authority.

Cap means the cap on the number of licenses in the city as described in section 6.70.070.

1 Good cause, for purposes of refusing or denying a license renewal, means:

2 . . .

3 D. Evidence the licensee, or any principal officer, any person required to
4 request a finding of suitability by state law or administrative rule, ~~manager,~~ agent,
5 or employee of the license is not of good moral character or has violated any
6 provision of this chapter or committed any unlawful act under this chapter.

7 License means a revocable privilege to lawfully operate a marijuana
8 establishment pursuant to this chapter.

9 Licensed premises means the premises specified in an application for a license
10 under this chapter, which are owned or will be in the possession of the licensee
11 and within which the licensee is authorized to sell, *or permit the consumption of,*
12 marijuana in accordance with all applicable laws.

13 Licensee means a person licensed pursuant to this chapter.

14 Limited access area means a building, room, or other contiguous area upon the
15 licensed premises where marijuana is stored, weighed, or packaged, under control
16 of the licensee.

17 Liquid assets means assets that can be readily converted into cash, and includes
18 assets that will be placed directly into the marijuana-~~store~~ *establishment*. The term
19 "liquid assets" includes, but is not limited to, funds in checking or savings
20 accounts, certificates of deposit, money market accounts, mutual fund shares,
21 publicly traded stocks, United States savings bonds, furniture and equipment,
22 marijuana prepared for sale, and related products and inventory to be transferred

1 to the marijuana store. The term "liquid assets" does not mean household items,
2 vehicles, marijuana plants, or real property or improvements thereto.

3 ~~Manager means a business manager of a marijuana establishment, as described in~~
4 ~~subsection 6.70.230.J, and includes, when applicable, the definition provided in~~
5 ~~the state marijuana code, C.R.S. § 44-10-103, as amended.~~

6 Marijuana means regulated marijuana, as defined by 1 CCR 212-3.

7 Marijuana establishment *means a facility licensed by the city and state to operate*
8 *in the city as a retail marijuana store, a co-located retail marijuana store and*
9 *medical marijuana center, a marijuana hospitality business, or a retail marijuana*
10 *hospitality and sales business that distributes, dispenses, displays, sells, allows*
11 *the consumption of, otherwise provides marijuana to consumers, patients, or*
12 *caregivers as authorized pursuant to section 16 of article XVIII of the state*
13 *constitution and other applicable state law. ☒*

14 ~~☒~~ Marijuana store means a facility licensed by the city and state to operate in the
15 city as a retail marijuana store, or a co-located retail marijuana store and medical
16 marijuana center, that distributes, dispenses, displays, sells, or otherwise provides
17 marijuana to consumers, patients, or caregivers as authorized pursuant to section
18 16 of article XVIII of the state constitution and other applicable state law.

19 *Marijuana hospitality business means a facility licensed by the city and state to*
20 *operate a licensed premises in the city to permit the consumption of marijuana in*
21 *accordance with all applicable laws.*

22 Medical marijuana delivery business means a medical marijuana center that
23 delivers marijuana to a consumer at a location other than a licensed premises.

1 Moral character means the degree to which a person's history demonstrates
2 honesty, fairness, and respect for the rights of others and for conformance to the
3 law, which may include considerations of whether an individual has:

4 A. Ever had a professional license denied, suspended, or revoked;

5 . . .

6 H. Within the previous 12 months been indicted, charged with, or convicted
7 of any offense, whether a criminal felony, misdemeanor, petty offense, or any
8 local ordinance violation related to the cultivation, processing, manufacture,
9 storage, sale, distribution, testing, or consumption of any form of marijuana.

10 Principal officer means the chief executive officer, president, vice president,
11 secretary, treasurer, chief financial officer, chief operating officer, and executive
12 director.

13 *Retail marijuana hospitality and sales business means a facility licensed by the*
14 *city and the state to operate a licensed premises to permit the consumption of only*
15 *the retail marijuana or retail marijuana products it has sold in accordance with*
16 *all applicable laws.*

17 School means a school whose site development plan would be encompassed
18 within the procedures of C.R.S. § 22-32-124(1) or (1.5), (2017).

19 . . .

20 Section 6.70.040. - Marijuana licensing authority established

21 A. Creation. There is created a local marijuana licensing authority,
22 hereinafter referred to in this chapter as the "authority." The municipal judge, or
23 the judge's designee, shall act on behalf of the authority.

1 B. Selection division. Within the authority, there is created a division,
2 hereinafter referred to in this chapter as the "selection division," for the purpose of
3 selecting licensees among applicants for a license. The three members of the
4 selection division shall be the municipal judge or the judge's designee, the chief of
5 public safety or the chief's designee, and the ~~director of community services~~*city*
6 *manager* or the *city manager*~~director~~'s designee. The selection division may adopt
7 rules of procedure to govern its processes. The city attorney's office shall advise
8 the selection division through its decision-making process.

9 C. Under no circumstances shall the authority approve any application for
10 local licensing of a marijuana establishment in circumstances where the state has
11 failed to act in accordance with section 16 of article XVIII of the state
12 constitution, it being the intent of this chapter that no marijuana establishment
13 may lawfully exist in the city absent the issuance of a state license and full
14 regulatory oversight of the establishment as a retail marijuana ~~store~~*establishment*
15 by the state as well as the city. Accordingly, the authority shall not approve any
16 application for licensing submitted independently and in lieu of state licensing nor
17 shall the authority grant any license if the state fails to act within 90 days on any
18 specific application for licensing of a ~~retail~~-marijuana establishment in accordance
19 with section 16(5)(g)(III) of article XVIII of the state constitution.

20 D. Duties and powers of the authority. The authority shall have the power to
21 grant or deny an application pursuant to this chapter, and to impose any
22 conditions on the applicant or licensee related to the granting of the license. The
23 authority shall have the authority to administer oaths and issue subpoenas to

1 require the presence of persons and the production of papers, books, and records
2 necessary to the determination of any hearing so held. The authority may adopt
3 rules of procedure regulating the conduct of its meetings and hearings. The
4 authority shall have the authority to approve or deny applications for license
5 renewals, transfers of ownership, changes of corporate structure, changes of
6 location, *and* modifications of licensed premises or approved plans, ~~and changes~~
7 ~~in manager registration~~. The authority shall have the authority to summarily
8 suspend a license pending a hearing. The authority shall have the power, after
9 hearing, to revoke or suspend any license, or to impose fines in lieu of suspension,
10 civil penalties, sanctions, or other conditions on the applicant, *or* the licensee, ~~or~~
11 ~~the manager~~, relating to the license.

12 . . .

13 Section 6.70.050. - Licensing authorized

14 The authority may issue only marijuana store licenses, *marijuana hospitality*
15 *business licenses, and retail marijuana sales and hospitality business licenses* as
16 authorized by state law. No other types of marijuana establishment may be
17 licensed or may operate in the city. A marijuana store license shall act as a retail
18 marijuana store license and also as a medical marijuana center license under the
19 restrictions described in section 6.70.220.

20 . . .

21 Section 6.70.070. – Cap-on licenses

22 The authority shall grant no *marijuana store* license that would increase the
23 number of active *marijuana store* licenses in the city to more than four. *The*

1 *authority shall grant no marijuana hospitality business license or retail*
2 *marijuana sales and hospitality business license that would increase the*
3 *combined number of active marijuana hospitality business licenses or retail*
4 *marijuana sales and hospitality business licenses in the city to more than four.*

5 . . .

6 Section 6.70.110. – Submittal for a ~~renewal~~ license

7 Each application for a license shall be filed on forms provided by the authority,
8 and shall include:

9 . . .

10 D. A site control plan, including:

11 . . .

12 4. Demonstration that the applicant has control of the site, for example by
13 property ownership or lease, for at least one year's duration. If the applicant does
14 not own the property, the applicant shall provide a letter from the property owners
15 expressly approving the use of the property as a marijuana ~~store~~ *establishment*.

16 E. A business plan, including the following:

17 . . .

18 5. *For marijuana store licenses, An-an* indication of whether the marijuana
19 store would sell retail or both retail and medical marijuana

20 F. Security plan. All licensees shall file a written security plan with the
21 authority. The security plan will be protected from public disclosure to the extent
22 provided under the Colorado Open Records Act, C.R.S. § 24-72-204(2)(a)(VIII).

23 The written security plan shall address, at a minimum, the following elements:

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- 6. The establishment's procedures for preventing *or controlling* the use of marijuana on the licensed premises *as applicable*;
- 7. Security measures taken by the licensee to prevent individuals from entering the limited access area portion of the licensed premises;
- 8. The licensee's closing procedures after the cessation of business each day;
- 9. The licensee'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 *as applicable*;
- 10. The type of alarm system and outdoor lighting to be used by the licensee;
- 11. The licensee's procedures for accepting delivery of marijuana at the establishment *if applicable*, including procedures for how it is received, where it is stored, and how the transaction is recorded;
- 12. A copy of the licensee's security alarm system monitoring contract;
- 13. A lighting plan showing the lighting outside of the marijuana establishment for security purposes and compliance with applicable city requirements;
- 14. A landscaping plan showing the landscaping outside of the marijuana establishment for security purposes and compliance with applicable city requirements;
- 15. A plan for disposal of any marijuana that is not sold; ~~and~~
- 16. A plan for preventing underage persons from entering the premises; *and*-

17. In the case of a marijuana hospitality business license or retail marijuana sales and hospitality business license, a plan for control and disposal of marijuana left by a consumer.

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Section 6.70.115. – Submittal for a renewal license

Each renewal application for a license shall be filed on forms provided by the authority, and shall include:

A. All applicable fees, including any annual operating fee due for the following year of operations. The city shall not retain, or shall refund, the annual operating fee if the application rejected.

B. Demonstration that the applicant has control of the site, for example by property ownership or lease, for at least one year's duration.

C. A sworn statement that there has been no material change to the application materials previously submitted to the authority pursuant to L.M.C. 6.70.110, or if a change has occurred, copies of the modified application materials.

D. Such additional information as the authority may require and any forms as the authority may require.

Section 6.70.120. – Application review process for new licenses

A. Initiation. The city clerk or designee shall begin a process of selecting new licenses by issuing a request for expression of interest. Within the timeframe set by such a request, any person may submit an application for a license.

• • •

1 C. Selection.

2 . . .

3 2. Factors. The following are factors the selection division shall consider and
4 weigh in making this determination:

5 a. Whether the application is for a location already licensed by the state and
6 serving as a retail marijuana ~~store~~*establishment* outside the city and proposed to
7 be annexed into the city, which factor shall be weighted heavily;

8 . . .

9 e. The convenience of the proposed location to the residents of the city,
10 considering any synergies, redundancies, or conflicts posed by the proposed
11 locations of other marijuana ~~store~~*establishment* applications and existing
12 marijuana establishments;

13 o. The degree of detail and completeness provided in the application, and the
14 extent to which the application includes false or misleading information; ~~and~~

15 p. Any other unique benefits the application would present to the inhabitants
16 of the city and any other factors that may be relevant; *and*;

17 *q. Whether the applicant is a resident of the city.*

18 . . .

19 H. Final license. Upon receiving the certification described in subsection F of
20 this section, for a conditional license, passage of a final inspection, as described in
21 section 6.70.230.K.2, and receipt of all applicable fees due, the authority shall
22 issue a final license allowing a marijuana ~~store~~*establishment*.

23 Section 6.70.130. – Lapse after licensure

A. Should any licensed premises fail to open for business as a retail marijuana establishment, with all necessary local permits approved, within six months of the applicable lapse deadline described in section 6.70.120.G or final licensure, whichever is earlier, or should any licensed premises thereafter discontinue ~~retail~~-marijuana operations *at the licensed premises* for 35 days or more, the license shall lapse and be of no further force and effect. The authority may confirm such lapse by order. No alleged delay on the part of any city staff shall be a defense against lapse under this section. Licensees are encouraged to secure building permits, certificates of occupancy, and other municipal approvals as early as possible.

B. Exception for modification of premises. After receiving approval from the authority for a modification of premises under section 6.70.180, the licensee may discontinue ~~retail~~-marijuana operations for a period of six months from the date of such approval without causing such license to lapse.

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Section 6.70.160. – Transfer of ownership and changes in business structure

A. For the purposes of this section, a transfer of ownership shall also include any reallocation of ownership or change in business structure necessitating an application for transfer of ownership or change in business structure under state law, including 1 CCR 212-3, rule R 3-220, as amended. Any transfer of ownership shall be governed by the procedures set forth for transfers of ownership under state law. No such change of ownership may occur except upon the authority's approval of a local application for the change. Any such application

1 shall include ~~all of~~ the information required by ~~this chapter~~ *L.M.C. 6.70.110*
2 *subsections B through F, H, and L* for a license application, and must include all
3 financial disclosures required under state law including 1 CCR 212-3, rule 2-230,
4 as amended. Upon receipt of such application, the authority shall schedule a
5 hearing thereon, and shall notify the city manager of such hearing and afford city
6 staff the opportunity to comment on the application in writing or at the hearing.
7 The authority shall conduct the hearing and grant the application if the application
8 is complete and meets the following standards:

9 . . .

10 B. Time limitation on transfer of ownership.

11 1. In general. A transfer of ownership of any license issued pursuant to this
12 chapter shall be prohibited until two years have elapsed since the date the final
13 license is issued by the city.

14 2. Exceptions. The authority shall allow an exception to the general
15 provision of subsection B.1 of this section, if the application for transfer of
16 ownership includes an affidavit demonstrating:

17 . . .

18 c. That the transfer of ownership is the result of the change in ownership of
19 the licensee company or the parent company of the licensee, and that in addition
20 to the licensed establishment, the sale encompasses at least one other retail
21 marijuana store, ~~or~~ medical marijuana center, *marijuana hospitality business, or*
22 *retail marijuana hospitality and sales business* located outside the city and
23 licensed by another local jurisdiction.

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A. No license may be transferred to another location except upon approval of an application for such transfer. The application shall include all of the submittal materials required for an application for a new license. Upon receipt of such application, the authority shall schedule a hearing thereon, and shall notify the city manager *or designee* of such hearing and afford city staff the opportunity to comment on the application in writing or at the hearing. The authority shall conduct the hearing and grant the application if the application is complete and the applicant proves that the change of location will not negatively impact the neighborhood surrounding the new location and will in fact benefit the community as a whole. This approval shall be required in addition to any other approvals required by other provisions of this Code, and such other municipal applications shall proceed under generally applicable procedures including any appeal procedures. A granted application shall allow the transfer on the conditions applicable to an award of a new conditional license, including, but not limited to, the provisions of sections 6.70.120.F through H and 6.70.130. All requirements and provisions related to renewal and lapse of a license shall apply regardless of the initiation or progression of these proceedings to change a license's location.

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Section 6.70.190. – Terms of licenses; renewals

A. Beginning with the date of approval and conditional licensure, any license issued pursuant to this chapter shall be valid for a period of one year. Notwithstanding anything contained in this chapter, a licensee has no vested right

1 to the renewal of a license, and no property right in the renewal of a license.
2 Licenses that are the subject of a suspension, a disciplinary action, a lapse
3 deadline extension, or any other proceeding under this chapter are subject to the
4 requirements of this section. Licenses that are not timely renewed shall expire.
5 The authority shall take no action on any renewal of any license except as
6 described in this section.

7 . . .

8 E. Upon receipt of a renewal application, the city clerk or designee shall
9 forward the application to the authority and provide a copy to the city manager *or*
10 *designee*. The authority shall give city staff an opportunity to comment on the
11 application. *Each licensee applying for renewal of a license shall submit to an*
12 *inspection by officials from police, fire, planning and building as set forth in this*
13 *chapter, and shall be in compliance with all city codes prior to the issuance of*
14 *any renewed license*. The authority may hold a hearing on the application.
15 Administratively or following such a hearing, the authority shall issue a decision
16 on the renewal application. Approval of an application for renewal shall issue a
17 decision on the renewal application. Approval of an application for renewal shall
18 renew the license for a period of one year from the original expiration date of the
19 prior licensure or license renewal period, as applicable.

20 . . .

21 Section 6.70.230. – Operational requirements

22 All marijuana establishments shall comply with the applicable state and local
23 rules and regulations, as amended from time to time, including as stated in the

Code of Colorado Regulations, 1 CCR 212-2 (Retail Marijuana Code) and 1 CCR 212-3. In addition, licensees shall comply with the following local operational regulations. Failure to comply with any state law or regulation or any of the following operational regulations may be grounds to suspend or revoke any license, or for the imposition of civil penalties where applicable.

A. Minimum standards. A marijuana establishment shall not be permitted to operate until the licensee has acquired all of the necessary permits, licenses, and authorizations, including a certificate of occupancy, and demonstrates implementation of the requirements of this section.

...

C. Video surveillance. 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 3-225 of 1 CCR 212-3:

...

4. If video surveillance or storage equipment becomes inoperable, or storage network service becomes disabled, the marijuana establishment shall cease all transactions until the equipment or network service is made operable.

5. The consumption area of a licensed marijuana hospitality spa business where a consumer receives massage services shall not overlap with the restricted access area and is not required to be under video surveillance except all points of ingress and egress must be under video surveillance.

...

1 H. Hours of operation. Marijuana ~~establishments~~*stores* may only be open to
2 the public between the hours of 8:00 a.m. and 10:00 p.m., daily. *Marijuana*
3 *hospitality businesses and retail marijuana hospitality and sales businesses may*
4 *only be open to the public between the hours of 8:00 a.m. and 2:00 a.m., daily.* No
5 sale, delivery, or other distribution may occur upon the premises outside of those
6 hours. Hours of operation must be posted at the main entry of the store.

7 . . .

8 K. Registered manager. ~~No~~*All* marijuana establishments shall be operated or
9 managed by ~~any person other than the licensee, with the exception of a manager~~
10 ~~registered with the authority.~~*the licensee or manager who* ~~Such licensee or~~
11 ~~manager~~ shall be on the premises and responsible for all activities within the
12 licensed business during all times when the business is open. ~~In the event the~~
13 ~~licensee intends to employ a manager who was not identified on the license~~
14 ~~application, the licensee shall report the name of such manager to the authority,~~
15 ~~and such manager shall submit to the authority, at least 28 days prior to serving as~~
16 ~~a manager, an application containing all of the information required for a manager~~
17 ~~by this chapter on a license application, and shall submit the requisite fees. A~~
18 ~~licensee shall report to the authority any change in managers at least 28 days prior~~
19 ~~to employing an additional manager, and no more than five days after a manager~~
20 ~~is released from such position. Notwithstanding the foregoing, when a licensee~~
21 ~~reports to the authority as a new manager a person who holds an active~~
22 ~~occupational license from the state licensing authority as a key employee and~~
23 ~~provides proof thereof in the application, the person may begin serving as a~~

~~manager of the licensee immediately and until such time as the authority acts on the application. Any timely report of a change in manager may be approved administratively. However, after a hearing, the authority may refuse to accept any person's registration as a manager upon a determination that the person's moral character, record, or reputation is unsatisfactory to ensure safe, lawful, and effective management of the marijuana establishment.~~

. . .

N. Reporting of criminal activity. Reports of all criminal activities or attempts of violation of any law at the marijuana establishment, including the curtilage surrounding the licensed premises and the designated parking area, or related in any way to the marijuana business, shall be reported to the city department of public safety by the licensee within 12 hours of occurrence. Additionally, any violation of any law by any licensee, controlling beneficial owner, manager, principal officer, or applicant of the marijuana business shall be reported to the authority within 72 hours.

O. Marijuana hospitality businesses. In addition to the operational requirements stated above, marijuana hospitality businesses shall comply with the following additional requirements:

- 1. No marijuana hospitality business may allow outdoor consumption of marijuana.*
- 2. No marijuana hospitality business may be collocated with a retail food establishment.*
- 3. No marijuana hospitality business may include a mobile premises.*

1 Section 6.70.240. – Unlawful acts

2 A. It shall be unlawful for any person under 21 years of age to be on or within
3 the limited access area of any marijuana establishment.

4 . . .

5 E. It shall be unlawful for any person to be a controlling beneficial owner of
6 more than one marijuana ~~store~~*establishment* licensed pursuant to this chapter.

7 . . .

8 Section 6.70.250. – Disciplinary actions, sanctions, and civil penalties

9 A. A violation of any of the provisions of this chapter, other applicable
10 provisions of this Code, any applicable state law, or any of the rules or regulations
11 adopted pursuant thereto related to the cultivation, processing, manufacture,
12 storage, sale, distribution, testing, or consumption of any form of marijuana, or
13 any violation of any terms and conditions of a license issued by the authority
14 pursuant to this chapter, may be grounds for additional terms and conditions being
15 placed upon a license, for the denial of an application to renew a license, or for
16 the suspension or revocation of a license.

17 . . .

18 C. The authority may, after notice and hearing, impose a civil penalty, or
19 suspend or revoke any license if the authority finds that:

20 . . .

21 14. The odor of marijuana is perceptible to an ordinary person at the exterior
22 of the building at the licensed premises or is perceptible within any space

adjoining the licensed premises *except as permitted pursuant to state law for the specific license type.*

...

Section 3

To the extent only that they conflict with this ordinance, the Council repeals any conflicting ordinances or parts of ordinances. The provisions of this ordinance are severable, and invalidity of any part shall not affect the validity or effectiveness of the rest of this ordinance.

Introduced this _____ day of _____, 2024.

Passed and adopted this _____ day of _____, 2025.

MAYOR

ATTEST:

CITY CLERK

NOTICE: THE COUNCIL WILL HOLD A PUBLIC HEARING ON THIS ORDINANCE AT 7:00 P.M. ON THE _____ DAY OF _____, 2025, AT THE LONGMONT CITY COUNCIL MEETING.

APPROVED AS TO FORM:

ASSISTANT CITY ATTORNEY

DATE

PROOFREAD

DATE

1 APPROVED AS TO FORM AND SUBSTANCE:
2
3

4
5 _____
6 ORIGINATING DEPARTMENT

_____ DATE

7 CA File: 24-003145